

No. 11806

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United States  
Circuit Court of Appeals  
For the Ninth Circuit.

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SAFEWAY STORES, INC., a Corporation,  
Appellant,

VS.

WARREN W. DUNNELL,  
Appellee.

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Transcript of Record

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Upon Appeal from the District Court of the United States  
for the Northern District of California,  
Southern Division



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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italic; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italic the two words between which the omission seems to occur.]

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In the District Court of the United States for the  
Northern District of California, Southern  
Division

Civil Action No. 26230G

WARREN W. DUNNELL,

Plaintiff,

vs.

SAFEWAY STORES, INC., a Corporation of the  
State of Maryland,

Defendant.

COMPLAINT IN EQUITY UNDER THE  
TRADE-MARK LAWS TO REQUIRE THE  
COMMISSIONER OF PATENTS TO REG-  
ISTER A TRADE-MARK

Plaintiff complains and alleges:

I.

That the jurisdiction of this court of the subject-matter of this complaint depends upon the fact that the cause of action arises under the trade-mark laws of the United States, and particularly as set forth in § 4915 R. S. U. S., United States Code, Title 35, § 63 (applying particularly to patents). and Title 15, § 89, construed before and after its [1\*] enactment as making § 4915 R. S. U. S. applicable to trade-mark application proceedings, and annotations, Federal Code Annotated, under Title 15, § 89, page 736.

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\*Page numbering appearing at foot of page of original certified Transcript of Record.



## II.

That plaintiff, Warren W. Dunnell, is a citizen of the United States, residing in the City of Los Angeles, county of Los Angeles, and state of California.

## III.

That defendant, Safeway Stores, Inc., is a corporation organized and existing under and by virtue of the laws of the state of Maryland, doing business within the state of California and having its principal place of business at the city of Oakland, in the county of Alameda and the state of California.

## IV.

That in October, 1933, plaintiff Dunnell, doing business under the fictitious name of Sani-Gard Sales Company, acquired title, under the common law by adoption and use prior to all others, to the trade-mark "Safe Way" as applied to tissue paper toilet seat covers; and thereafter, beginning early in 1934, continued up to the filing, on April 12, 1944, (a period of over ten years) of a notice of opposition filed by defendant herein to an application, later herein described, by said plaintiff, Warren W. Dunnell, for registration under federal laws of said trade-mark "Safe Way" as so applied, extensively to sell and distribute such product under said trade-mark "Safe Way" in domestic interstate and foreign commerce, during said period of over ten years plaintiff Dunnell selling and distributing in said commerce 73,567,000 toilet seat covers under his said trade-mark [2] "Safe Way."

## V.

That of said 73,567,000 toilet seat covers so sold and distributed by plaintiff as set forth in the immediately preceding paragraph hereof, 4,080,000 of said toilet seat covers under said trade-mark were sold and distributed by applicant within the state of California, the state of the principal place of business of defendant Safeway Stores, Inc.

## VI.

That during the period referred to in Paragraph IV of this complaint, plaintiff sold and distributed over 2,000,000 of said toilet seat covers under said trade-mark "Safe Way" in Oakland and San Francisco, California, territory very close to defendant's principal place of business.

## VII.

That toilet seat covers are not among the items which have ever been manufactured, caused to be manufactured, offered for sale, or sold, by opposer or any of its subsidiary stores under the trade-mark "Safe Way," or under any other name or at all; that toilet seat covers are totally unsuitable for sale in opposer's stores, or any of them; that defendant Safeway Stores, Inc., has expressly admitted that such product, toilet seat covers, is not suitable for sale in any of its stores; that said defendant has refused to stock or attempt to sell toilet seat covers under any name. [3]

## VIII.

That the toilet seat covers of plaintiff Dunnell are only sold to a very special class of purchasers, namely, public service concerns, such as transportation lines, newspaper offices, public service stations, and others, who purchase from plaintiff Dunnell and distribute gratis to members of the public utilizing their toilet facilities; that plaintiff, Safeway Stores, is not in such class of purchasers and does not sell to such purchasers.

## IX.

That while it is true Safeway Stores, Inc., has a good reputation in the sale of grocery items, such reputation is only the reputation of any good grocery store in the selection and offer for sale of popular brands of merchandise of various food producers or manufacturers, while Plaintiff Dunnell's reputation in the distribution and sale of toilet seat covers under the trade-mark "Safe Way" is, as to any such reputation of opposer in the sale of said item, as 73,567,000 is to nothing—as defendant Safeway Stores, Inc., has never had any such product to sell, and has never even expressed a desire or intention to ever sell such product.

## X.

That during the time from the first adoption and use of said trade-mark "Safe Way" by plaintiff as heretofore alleged, plaintiff never in any of his catalogue listings, or otherwise, advertised the name

“Safe Way,” but listed and advertised only under the fictitious name under which plaintiff [4] was operating, i.e., Sani Gard Cover Company or Sani Gard Sales Company, and during all of such time no instance of confusion by any of the purchasing public of such merchandise or any of the purchasers at defendant’s grocery stores as to source of manufacture of said toilet seat covers under said trade-mark ever occurred, and there was no instance of confusion of anyone as to the source of manufacture or distribution of plaintiff’s said product under said name.

## XI.

That defendant and those from which it acquired title of the name “Safeway” as applied to grocery stores, at no time during plaintiff’s said wide and extensive use of said trade-mark “Safe Way” as applied to toilet seat covers, ever complained to plaintiff or any of his agents or distributors of any possible confusion or injury to defendant resulting or likely to result from plaintiff’s said continued use of said trade-mark as aforesaid, and defendant and its predecessors have been guilty of laches in failing to complain of said use during the many years that plaintiff built up a national and international reputation and good will in said sales distribution, and that defendant is guilty of laches (if it had any possible cause of complaint) in failing, during plaintiff’s exclusive long continued national and international use of said trade-mark, to protest against said continued use of said trade-mark “Safe Way” as so applied by applicant.

## XII.

That on the 19th day of May, 1942, plaintiff Dunnell filed in the United States Patent Office an application, Serial No. 453,099, for registration of said trade-mark "Safe [5] Way" as applied to said toilet seat covers under Federal laws, and after due proceedings had on such application on the 26th day of February, 1944, said mark was passed for publication in the Official Gazette of March 21, 1944, and was thereafter duly published.

## XIII.

That thereafter, on the 12th day of April, 1944, a notice of opposition was filed in the United States Patent Office, No. 23,281, by defendant Safeway Stores, Inc., to the registration of plaintiff Dunnell of said trade-mark on the alleged ground that the name "Safe Way" was a dominant part of said defendant's corporate name, and that its registration as a trade-mark for toilet seat covers does and would cause damage to defendant-opposer, Safeway Stores, Inc.

## XIV.

That on the 5th day of June, 1944, plaintiff Dunnell in said application for registration of said trade-mark, S. N. 453,099, and in said opposition No. 23,281, filed his answer to said notice of opposition, and thereafter testimony on behalf of each of the parties to said opposition No. 23,281 was taken and duly filed in the Patent Office.

## XV.

That thereafter, after a decision by the Examiner of Interferences of the United States Patent Office in said Opposition No. 23,281, denying said registration to applicant-plaintiff Dunnell of said trade-mark, an appeal was taken by applicant-plaintiff Dunnell from said decision of said [6] Examiner of Interferences to the Commissioner of Patents.

## XVI.

That thereafter, on the 24th day of April, 1946, the Commissioner of Patents rendered his decision on appeal in said opposition proceeding, No. 23,281, affirming the decision of the Examiner of Interferences and refusing to register the said trade-mark "Safe Way" as so applied, to applicant-plaintiff Dunnell.

## XVII.

That plaintiff Dunnell was and is dissatisfied with said decision of the Commissioner of Patents immediately above described, denying his application for registration of said trade-mark "Safe Way," and did not and has not appealed to the United States Court of Customs and Patent Appeals (as authorized by the statute, U. S. Code, Title 15, § 89) but, following the procedure set forth in U. S. Code Title 35, § 63, has elected instead of so appealing to file this bill in equity under said statute in this district court.

## XVIII.

That the denial by the Commissioner of Patents of plaintiff's said application for registration of said trade-mark "Safe Way" as applied to tissue paper toilet seat covers, his title to said trade-mark being undisputed, will cause great injury to plaintiff by, among other things, denying him access to the Federal courts in certain suits for infringement, and the granting of said plaintiff's said [7] application for registration cannot possibly damage or injure defendant in any way.

Wherefore, plaintiff demands that, notwithstanding the denial by the Commissioner of Patents of applicant's request for registration of said trade-mark as so applied, the Commissioner of Patents be authorized and directed to register said trade-mark as requested in said application for registration; that plaintiff recover his costs in this proceeding; and that the court grant such other, further and different relief as to the court shall seem meet.

WARREN W. DUNNELL,  
By WESTALL & WESTALL,  
JOSEPH F. WESTALL and  
EDWARD F. WESTALL,

His Attorneys.

By /s/ JOSEPH F. WESTALL.  
/s/ CHAS M. FRYER. [8]



State of California,  
County of Los Angeles—ss.

Warren W. Dunnell, being by me first duly sworn, deposes and says: That he is the plaintiff in the foregoing and above-entitled action; that he has read the foregoing complaint and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters which are therein stated to be upon his information or belief, and as to those matters that he believes it to be true.

/s/ WARREN W. DUNNELL.

Subscribed and sworn to before me this 29th day of July, 1946.

[Seal]      /s/ CHARLES M. MAZLE,  
Notary Public in and for County of Los Angeles and  
State of California.

My Commission Expires Dec. 19, 1949.

[Endorsed]: Filed July 31, 1946. [9]

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[Title of District Court and Cause.]

ANSWER AND COUNTERCLAIM OF DE-  
FENDANT SAFEWAY STORES, INCOR-  
PORATED

As its answer to the complaint on file herein, Safe-  
way Stores, Incorporated, a corporation, impleaded



herein as Safeway Stores, Inc., admits, alleges and denies as follows:

First Defense

1. Defendant admits the allegations contained in paragraphs XII, XIV, XV and XVI of the complaint.

2. Defendant alleges that it is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs II, V, VI, VIII, X and XVII of the complaint. [10]

3. Answering paragraph IV of the complaint, defendant denies the allegation that in October, 1933, plaintiff Dunnell, doing business under the fictitious name of Sani-Gard Sales Company, acquired title under the common law by adoption and use prior to all others, to the trade-mark "Safe Way" as applied to tissue paper toilet seat covers; alleges that it is without knowledge or information sufficient to form a belief as to the truth of the other allegations contained in paragraph IV of the complaint.

4. Answering paragraph VII of the complaint, defendant admits that toilet seat covers are not among the items which have heretofore been manufactured, caused to be manufactured, offered for sale or sold by it or any of its subsidiary stores; denies each and every other allegation contained in said paragraph VII.

5. Answering paragraph IX of the complaint, defendant admits that defendant has a good reputa-

tion in the sale of grocery items; denies each and every other allegation contained in said paragraph.

6. Answering paragraph XIII of the complaint, admits the allegations therein contained, except that defendant denies that the ground of opposition that the name "Safe Way" was the dominant part of said defendant's corporate name, and that its registration as a trade-mark for toilet seat covers does and would cause damage to defendant-opposer, Safeway Stores, Inc., was the only ground of such opposition.

7. Defendant denies each and every allegation contained in paragraphs I, XI and XVIII of the complaint.

#### Second Defense

1. The corporate name of the defendant is Safeway Stores, Incorporated, and it is a duly organized and existing [11] corporation under the laws of the State of Maryland.

2. Defendant and subsidiary corporations wholly owned by it have been extensively and continuously engaged since 1926 in the business of operating retail grocery stores under defendant's name "Safeway" and in manufacturing and other businesses related thereto. During 1941 and 1942 all of the assets, businesses and goodwill of said subsidiaries operating retail grocery stores in the United States were acquired by defendant, and since 1942 defendant, itself, has carried on said retail grocery business in the United States. On March 24, 1926, the date of defendant's incorporation, defendant's sub-

sidiaries operated approximately 322 stores under the name "Safeway," all located in the City of Los Angeles and other communities in Southern California. Defendant now owns and operates under the name "Safeway" approximately 2300 stores in 19 western states, 4 eastern states and the District of Columbia as follows:

Arkansas, Arizona, California, Colorado, District of Columbia, Idaho, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Oklahoma, Oregon, South Dakota, Texas, Utah, Virginia, Washington, Wyoming.

In addition, defendant now owns and operates under the name "Safeway" approximately 140 stores in five provinces of Canada through its subsidiary Safeway Stores, Limited. At all times herein mentioned, defendant and its said subsidiaries have sold, and defendant now sells, in its said retail stores in the United States and Canada a complete line of foods and related household products, including paper products such as toilet tissue, paper towels, and paper napkins.

3. The name "Safeway" is the distinguishing and [12] dominant part of defendant's name. Defendant's name "Safeway" alone and without the words "Stores" and "Incorporated" has at all times herein mentioned been and is now prominently displayed in signs on its stores, and places of business, in newspaper, magazine, outdoor billboard, and car card advertisements, price tags, gummed tape, cash

register receipts, invoices, paper bags, display cards, and other forms of advertising. At all times herein mentioned defendant has expended, and does now expend, large sums each year for advertising in newspapers, radio broadcasts, magazines, outdoor billboards, car cards, and other advertising media. Substantially all of such advertising has made and does make prominent use of the word "Safeway" and, as a rule, the word "Safeway" alone is and has been used therein. Said advertising is intended to and has built up and maintained the reputation, goodwill and value of the name "Safeway," and said name is and at all times herein mentioned has been, a substantial part of the valuable goodwill of defendant. At all times herein mentioned, defendant and its predecessor subsidiaries have conducted and do now conduct said retail grocery business on the basic policy of reducing the cost of food to the consumer while maintaining the highest quality. Defendant's net sales in the year 1945 in the United States were \$595,604,796.67; the net sales in Canada in the year 1945 of defendant's subsidiary, Safeway Stores, Limited, were \$33,907,388.06 expressed in United States dollars.

4. By reason of the matters hereinabove alleged, the public has at all times herein mentioned, known and identified, and does now know and identify, defendant by the name "Safeway" alone. In the United States and Canada, generally, and in California, the name "Safeway" has acquired a secondary [13] meaning and suggests and means to the public the grocery and related businesses of defend-

ant and said subsidiaries. As a result of defendant's business policies and practices as aforesaid, and the competence and skill of defendant's officers and employees, the name "Safeway" has, likewise, come to signify in the public mind an organization of high standards.

5. On or about August 16, 1939, defendant's subsidiary, Safeway Stores, Incorporated, a Nevada corporation, deposited with the Commissioner of Patents a certified copy of its corporate charter, showing its corporate name "Safeway Stores, Incorporated," and received certificate of deposit No. 4220 therefor.

6. At some time prior to April, 1944, the exact time being unknown to defendant, plaintiff Warren W. Dunnell commenced selling, and is now selling, paper toilet seat covers under the name "Safe Way" in the State of California and elsewhere. Plaintiff and his customers distribute said toilet paper seat covers to the general public under said name "Safe Way."

7. Defendant is informed and believes and on such information and belief alleges, that prior to the year 1933, and at all times subsequent thereto, plaintiff has been familiar with the fact that there existed a national chain of retail grocery stores operated under the name "Safeway"; that plaintiff has at all said times understood the value of defendant's name "Safeway"; that plaintiff has thus adopted and used the name "Safe Way" with the purpose and intent of trading upon and appropriating for his own profit, the reputation, goodwill and value



connected with defendant's said name "Safeway" and with the purpose and intent of inducing the public to believe that plaintiff's product is connected with defendant, that plaintiff's business is owned [14] and operated by defendant, or is in some way connected with defendant, and that the quality of product sold by plaintiff is similar in kind and equal in quality to that of defendant.

8. Defendant learned for the first time of plaintiff's use of the name "Safe Way" as aforesaid, on or about March 28, 1944, shortly after the first publication in the Official Gazette of the United States Patent Office of an application by plaintiff for registration of the name "Safe Way" as a trade-mark as applied to paper toilet seat covers. Thereafter, and on or about April 12, 1944, defendant filed an opposition in the United States Patent Office to the registration by plaintiff of said name as a trade-mark, and at all times subsequent to the filing of said opposition defendant has opposed, and does now oppose, the registration by plaintiff of said name.

9. If plaintiff continues to use the name "Safe Way" in connection with his said business, or any other business which he may carry on, confusion will arise in the public mind, and the public will be deceived and misled for the reason that members thereof will reasonably conclude that plaintiff is in some way sponsored by or connected with defendant.

10. If plaintiff continues to use the name "Safe Way" as aforesaid, defendant will lose a part of the value of its goodwill which has been built up by

defendant in connection with said name "Safeway" by large expenditures of money and effort over the period of the past twenty years. Defendant will further be injured if plaintiff in its business practices should not conform to the high standards heretofore established and maintained by defendant.

11. The name "Safeway" sought to be registered by plaintiff consists merely in the name of the defendant-opposer [15] corporation, or the distinctive, dominant portion thereof, not written, printed, impressed or woven in some particular or distinctive manner, and not associated with a portrait of an individual, and is therefore within the prohibition against registration of such name contained in Section 5(b) of the Act of 1905 (15 U.S.C. Sec. 85(b)).

12. Plaintiff Warren W. Dunnell, is not the owner of the trade-mark sought to be registered by him, and he was not entitled to the exclusive use thereof at the time of the filing of his application for registration thereof, nor at any other time.

### Third Defense

At all times between the period from October, 1933 (the first use by plaintiff of said name alleged in said complaint) to May 15, 1942 (the date of plaintiff's application for registration) defendant was engaged in developing and expanding its business under the name "Safeway". During said period the gross retail sales of defendant's said subsidiaries in the United States increased from \$175,980,306.78 for the year ended 1933 to \$441,294,779.12 for the year ended 1941. The alleged

right of action set forth in the complaint is barred by plaintiff's laches in failing to apply prior to 1942 for registration for said trade-mark "Safe Way" as alleged in the complaint.

### Counterclaim

As its counterclaim to the complaint on file herein Safeway Stores, Incorporated, a Corporation, impleaded herein as Safeway Stores, Inc., alleges as follows:

1. Counterclaimant, Safeway Stores, Incorporated, is a corporation organized and existing under and by virtue of the laws of the State of Maryland, and is a citizen of the State. The matter in controversy exceeds the sum of Three Thousand Dollars [16] (\$3,000.00) exclusive of interest and costs.

2. Counterclaimant and subsidiary corporations wholly-owned by it have been extensively and continuously engaged since 1926 in the business of operating retail grocery stores under counterclaimant's name "Safeway" and in manufacturing and other businesses related thereto. During 1941 and 1942 all of the assets, businesses and goodwill of said subsidiaries operating retail grocery stores in the United States were acquired by counterclaimant, and since 1942 counterclaimant, itself, has carried on said retail grocery business in the United States. On March 24, 1926, the date of counterclaimant's incorporation, counterclaimant's subsidiaries operated approximately 322 stores under the name "Safeway", all located in the City of Los Angeles and other communities in Southern Cali-



fornia. Counterclaimant now owns and operates under the name "Safeway" approximately 2300 stores in 19 western states, 4 eastern states and the District of Columbia, as follows:

Arkansas, Arizona, California, Colorado, District of Columbia, Idaho, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Oklahoma, Oregon, South Dakota, Texas, Utah, Virginia, Washington, Wyoming.

In addition, counterclaimant now owns and operates under the name "Safeway" approximately 140 stores in five provinces of Canada through its subsidiary Safeway Stores, Limited. At all times herein mentioned counterclaimant and its said subsidiaries have sold and now sell in its said retail stores in the United States and Canada a complete line of food and related household products, including paper products such as toilet tissue, paper towels, and paper napkins.

3. The name "Safeway" is the distinguishing and dominant part of counterclaimant's name. Counterclaimant's [17] name "Safeway" alone and without the words "Stores" and "Incorporated" has at all times herein mentioned been and is now prominently displayed in signs on its stores, and places of business, in newspaper, magazine, outdoor billboard and car card advertisements, price tags, gummed tape, cash register receipts, invoices, paper bags, display cards, and other forms of advertising. At all times herein mentioned counterclaimant has

expended and does now expend large sums each year for advertising in newspapers, radio broadcasts, magazines, outdoor billboards, car cards, and other advertising media. Substantially all of such advertising has made and does make prominent use of the word "Safeway" and, as a rule, the word "Safeway" alone is and has been used therein. Said advertising is intended to and has built up and maintained the reputation, goodwill and value of the name "Safeway" and said name is and at all times herein mentioned has been a substantial part of the valuable goodwill of counterclaimant. At all times herein mentioned, counterclaimant and its predecessor subsidiaries have conducted and do now conduct said retail grocery business on the basic policy of reducing the cost of food to the consumer while maintaining the highest quality. Counterclaimant's net sales in the year 1945 in the United States were \$595,604,796.67; the net sales in Canada in the year 1945 of counterclaimant's subsidiary, Safeway Stores, Limited, were \$33,907,388.06 expressed in United States dollars.

4. By reason of the matters hereinabove alleged, the public has at all times herein mentioned, known and identified, and does now know and identify counterclaimant by the name "Safeway" alone. In the United States and Canada, [18] generally, and in California, the name "Safeway" has acquired a secondary meaning and suggests and means to the public the grocery and related businesses of counterclaimant and said subsidiaries. As a result of counterclaimant's business policies and practices as

aforesaid, and the competence and skill of counterclaimant's officers and employees, the name "Safe-way" has, likewise, come to signify in the public mind an organization of high standards.

5. On or about August 16, 1939, counterclaimant's subsidiary, Safeway Stores, Incorporated, a Nevada corporation, deposited with the Commissioner of Patents a certified copy of its corporate charter, showing its corporate name "Safeway Stores, Incorporated," and received certificate of deposit No. 4220 therefor.

6. At some time prior to April 1944, the exact time being unknown to counterclaimant, counterclaim-defendant Warren W. Dunnell commenced selling, and is now selling, paper toilet seat covers under the name "Safe Way" in the State of California and elsewhere. Counterclaim-defendant and its purchasers distribute said paper toilet seat covers to the general public under said name "Safe Way."

7. Counterclaimant is informed and believes, and on such information and belief alleges, that prior to the year 1933, and at all times subsequent thereto, counterclaim-defendant has been familiar with the fact that there existed a national chain of retail grocery stores operated under the name "Safeway"; that counterclaim-defendant has at all said times understood the value of counterclaimant's name "Safeway"; that counterclaim-defendant has thus adopted and used the name "Safe Way" with the purpose and intent of [19] trading upon and appropriating for his own profit, the reputation,

goodwill and value connected with counterclaimant's said name "Safeway" and with the purpose and intent of inducing the public to believe that counterclaim-defendant's product is connected with counterclaimant, that counterclaim-defendant's business is owned and operated by counterclaimant, or is in some way connected with counterclaimant, and that the quality of product sold by plaintiff is similar in kind and equal in quality of that of counterclaimant.

8. Counterclaimant learned for the first time of counterclaim-defendant's use of the name "Safe Way" as aforesaid, on or about March 28, 1944, shortly after the first publication in the Official Gazette of the United States Patent Office of an application by counterclaim-defendant for registration of the name "Safe Way" as a trade-mark as applied to paper toilet seat covers. Thereafter, and on or about April 12, 1944, counterclaimant filed an opposition in the United States Patent Office to the registration by counterclaim-defendant of said name as a trade-mark, and at all times subsequent to the filing of said opposition counterclaimant has opposed, and does now oppose, the registration by counterclaim-defendant of said name.

9. If counterclaim-defendant continues to use the name "Safe Way" in connection with his said business, or any other business which he may carry on, confusion will arise in the public mind, and the public will be deceived and misled for the reason that members thereof will reasonably conclude that

counterclaim-defendant is in some way sponsored or connected with counterclaimant.

10. If counterclaim-defendant continues to use [20] the name "Safe Way" as aforesaid, counterclaimant will lose a part of the value of its goodwill which has been built up by counterclaimant in connection with said name "Safeway" by large expenditures of money and effort over the period of the past twenty years. Counterclaimant will further be injured if counterclaim-defendant in its business practices should not conform to the high standards heretofore established and maintained by counterclaimant.

11. Counterclaimant's name, reputation, goodwill and business have been, and are now being, and, unless counterclaim-defendant is restrained, will be, injured, by counterclaim-defendant's use of said name, and by the aforesaid resulting confusion, deception and misleading, all to counterclaimant's irreparable injury and damage. It is impossible to estimate the injury and damage heretofore suffered by counterclaimant and which counterclaimant will continue to suffer, unless counterclaim-defendant is restrained, as a result of counterclaim-defendant's use of said name. Counterclaimant has no adequate remedy at law for the damage which has resulted, and which, unless counterclaim-defendant is restrained, will result as hereinabove alleged.

Wherefore, defendant and counterclaimant, Safeway Stores, Incorporated, prays:

1. That plaintiff and counterclaim-defendant take nothing by his said complaint, and that the same be dismissed;

2. That plaintiff and counterclaim-defendant, and all persons acting for plaintiff and counterclaim-defendant as employees, agents or otherwise, be permanently restrained and enjoined from using the name "Safe Way", or any similar name, in the conduct of his said business, or otherwise; [21]

3. That defendant and counterclaimant have its cost and such other and further relief as to this court may seem proper.

Dated: San Francisco, California, this 23d day of September, 1946.

/s/ MITCHELL T. NEFF,  
/s/ WILLARD S. JOHNSTON,  
ORRICK, CAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
Attorneys for Defendant and  
Counterclaimant.

Receipt of a copy of the foregoing Answer and Counterclaim of defendant Safeway Stores, Incorporated, is hereby admitted this 23d day of September, 1946.

WESTELL & WESTELL,  
JOSEPH F. WESTELL,  
CHAS. M. FRYER,  
Attorneys for Plaintiff.

[Endorsed]: Filed Sept. 23, 1946. [22]



[Title of District Court and Cause.]

PLAINTIFF'S REPLY TO DEFENDANT'S  
COUNTERCLAIM AND ANSWER

Now comes the above-named plaintiff, counterclaim defendant, and for his reply to the counterclaim in defendant's Answer served September 23, 1946, and for reply (as hereinafter indicated) to said Answer:

I.

Alleges that said counterclaim fails to state a claim upon which relief can be granted.

II.

Said alleged counterclaim is not germane to the cause of action stated in the complaint in that the complaint sets forth only averments upon which, under a special statute, the court is requested to authorize the Commissioner to grant a requested registration of trade-mark, the complaint being in effect against the Commissioner of Patents only, there being no claim whatsoever stated against defendant, counterclaimant.

III.

The alleged cause of action of said counterclaim is barred by the provisions of §343 of the Code of Civil Procedure of the State of California, which applies to both legal and equitable actions, so far as it applies to any alleged cause of action existing before counterclaimant became owner of said subsidiaries.

## IV.

Defendant and its predecessors in interest have been guilty of laches by reason of over ten years' delay in instituting any proceeding for relief by reason of any fact or circumstance set forth in said counterclaim, during which [23] time, with full knowledge of defendant, counterclaimant, and its predecessors in interest, plaintiff, counterclaim defendant, at great expense and effort, built up a good will in the sale of toilet seat covers under the trade-mark "Safe Way" amounting to many millions of said covers in domestic, interstate and foreign commerce, selling over 2,000,000 of said product in and near the city of Oakland, which is defendant counterclaimant's principal place of business, all without any notice or protest of counterclaimant or any of predecessors in interest, and without any reason for any such protest or the institution of any such proceedings, and during all of which time defendant counterclaimant never manufactured, offered for sale, or sold any toilet seat covers under the trade-mark "Safeway" or under any other name or trade-mark, or at all, and that defendant counterclaimant is now estopped by reason of such laches from asserting any such alleged counterclaim.

## V.

In answer to paragraph 1 of said counterclaim, plaintiff admits that defendant, counterclaimant, is a corporation organized and existing under and by virtue of the laws of the state of Maryland, and is a citizen of said state; but denies that the matter



in controversy in this suit exceeds the sum of Three Thousand Dollars (\$3,000) exclusive of interest and costs, or any other sum whatsoever.

## VI.

In answer to paragraph 2 of said counterclaim, plaintiff is without knowledge or information sufficient to form a belief as to each of the allegations of paragraph 2 of said counterclaim, and upon such ground denies each and every of said allegations.

## VII.

In answer to paragraph 3 of said counterclaim, plaintiff, counterclaim defendant, denies that "Safe-way" is a distinct and dominant part of counterclaimant's name as stated in paragraph 3 of said counterclaim; and as to the remaining averments of said paragraph 3 plaintiff states that he is without knowledge and information sufficient to form a belief as to the truth of each of said averments, and upon such ground denies the same.

## VIII.

In answer to paragraph 4 of said counterclaim, plaintiff, counterclaim defendant, states that he has sold his "Safe Way" toilet seat covers to only a very special class of purchasers, and not to the general public which purchases defendant, counterclaimant's products in its said grocery stores; and that the name "Safe Way" as applied to toilet seat covers sold by plaintiff, counterclaim defendant, is not known to the general purchasing public con-

stituting defendant, counterclaimant's, customers, but is well known only to public service concerns as mentioned in paragraph VIII of the complaint herein, and such toilet seat covers are not among any of the items which defendant, counterclaimant, has ever manufactured, offered for sale, or sold to anyone under any name, and such product is not suitable for sale in defendant counterclaimant's said stores as fully set forth in paragraph VII of the complaint herein.

Further in answer to the specific allegations of paragraph 4 of said counterclaim, plaintiff, counterclaim defendant, alleges that he is without knowledge or information sufficient to form a belief as to the truth of each of said said averments, and upon such ground denies each and every of said allegations. [25]

#### IX.

In answer to paragraph 5 of said counterclaim, plaintiff, counterclaim defendant, states that he is without knowledge or information sufficient to form a belief as to the truth of each of the averments of said paragraph, and upon such ground denies each and every of them.

#### X.

In answer to paragraph 6 of said counterclaim, plaintiff, counterclaim defendant, admits that sometime prior to April, 1944, which was very long prior to the date last mentioned, namely in October, 1933, plaintiff counterclaim defendant, adopted and first used the name "Safe Way" as applied to toilet

seat covers, and, beginning in January, 1934, and continuing up to the present time, a period of over ten years, sold such covers under said trade name not only in the state of California, but most extensively throughout the United States and in foreign commerce, the extent of such sale and distribution of covers under such trade-mark being over 75,000,000 of said covers, over 5,000,000 being sold in the State of California, and over 2,000,000 being sold in the territory adjacent the principal place of business of defendant, counterclaimant, in Oakland, California, as set forth in paragraphs IV, V, VI of the complaint herein. Plaintiff denies, however, that such toilet seat covers under said trade-mark were at any time, or at all, distributed to the general public customers of defendant, counterclaimant's, stores, or any of them, but were sold only to a special class of purchasers as set forth in paragraph VIII of the complaint herein, and that during all this time defendant, counterclaimant, has never manufactured, caused to be manufactured, offered for sale, or sold any toilet seat covers under the [26] name "Safeway", or under any other name, or at all, such toilet seat covers never having been stocked or attempted to be sold by defendant, counterclaimant, and that said toilet seat covers are totally unsuitable for distribution by defendant, counterclaimant, or any of its subsidiaries in said grocery stores.

## XI.

In answer to paragraph 7 of said counterclaim, plaintiff denies each and every allegation of said

paragraph, and furthermore states that at the beginning of such sale of toilet seat covers under said trade-mark by plaintiff, counterclaim defendant, he had no knowledge of the extent of any such grocery store operations by counterclaimant, and that all of plaintiff counterclaim defendant's sales and offers for sale were in the name of Sani-Gard \*\* Company, the name "Safe Way" not being used in any listing or advertisement relating to said product, and that his special class of purchasers only first heard of the trade-mark as so applied by him when they contacted his Sani-Gard \*\* Company for information, or to purchase said articles; and furthermore no customers was ever confused as to the source of manufacture and distribution of toilet seat covers under said trade-mark "Safe Way" or mistook defendant, counterclaimant, as a source of such manufacture or distribution.

## XII.

In answer to paragraph 8 of said counterclaim, plaintiff, counterclaim defendant, states that he is without knowledge, or information sufficient to form a belief as to the truth of each of the averments of said paragraph, and upon such ground denies each and every of said allegations, except that plaintiff admits that defendant, counterclaimant, did file an opposition in the United States Patent Office on or about [27] October 12, 1944, and that defendant, counterclaimant, did oppose and still continues to oppose registration of said trade-mark by plaintiff, counterclaim defendant.

## XIII.

In answer to paragraph 9 of said counterclaim, plaintiff, counterclaim defendant, denies each and every of the allegations of said paragraph, and alleges that during all the years of extensive use of said name as so applied by plaintiff, counterclaim defendant, no confusion has ever arisen or occurred among any of the purchasing public, nor have any purchasers or persons desiring to purchase said product under said name been deceived or misled as to the source of manufacture and distribution of said product, as being plaintiff, counterclaim defendant, under the name of Sani Gard \* \* \* Company, and no one reasonably or otherwise will or could conclude that such sale and distribution is in some way sponsored or connected with counterclaimant.

## XIV.

Answering paragraph 10 of said counterclaim, plaintiff, counterclaim defendant, denies each and every of the allegations of said paragraph and denies that defendant, counterclaimant, has ever had any good will whatsoever in the sale or distribution of toilet seat covers under the trade-mark "Safe-way" or under any other name; and further that plaintiff, counterclaim defendant's reputation and business practices have always conformed with the highest of standards in the sale and distribution of many millions of said product under said name over very many years, and that such reputation and business practices of plaintiff, counterclaim de-

fendant, is equal to or superior to any asserted reputation of defendant, counterclaimant, in any use of said trade-mark. [28]

## XVI.

Answering paragraph 11 of said counterclaim, plaintiff, counterclaim defendant, denies each and every of the allegations of said paragraph 11, alleging that defendant, counterclaimant's, name, reputation, good will and business have in no way been injured by any act of this plaintiff, counterclaim defendant, in the premises, denies any injury or damage whatsoever under counterclaim, alleging also that defendant, counterclaimant, does not now have, and never did have, any reputation of any kind or good will or business in the sale of any kind of toilet seat covers under any name whatsoever, and that there has been no confusion, deception, or misleading of anyone by any act of this plaintiff, counterclaim defendant, in the sale and distribution of toilet seat covers, and that the continuation by plaintiff, counterclaim defendant, of his present practices in selling and offering for sale toilet seat covers under said trade-mark will not result in any damage or injury whatsoever to defendant, counterclaimant. Plaintiff, counterclaim defendant, however, admits that it is impossible to estimate any damage or injury past, present or prospective, as alleged in said paragraph, as defendant, counterclaimant, has never suffered any such damage or injury whatsoever. Plaintiff, counterclaim defendant, denies that defendant,



counterclaimant, has no adequate remedy of law for damages, and denies that it has ever suffered or could possibly suffer any damage by or on account of any act of plaintiff, counterclaim defendant, in the premises.

#### First Affirmative Defense Against the Answer and Counterclaim:

Plaintiff, counterclaim defendant, alleges that defendant, counterclaimant, did not become the owner of any of the stores mentioned in its counterclaim until the end of 1942, one year and a little over three months before the filing, on April 12, 1944, of its opposition, and any damages which it might have suffered could only be computed from the time it became such owner, as subsidiaries are not parties to this suit.

#### Second Affirmative Defense Against the Answer and Counterclaim

"Safeway" is an expression of such commonplace significance in the language that its use in association with products unrelated to opposer's (defendant's) business would not be likely to, and does not, suggest such opposer (defendant and counterclaimant) in the mind of the public in connection particularly with applicant's toilet seat covers. Opposer (defendant and counterclaimant) does not deal, and has never dealt, in toilet seat covers, nor would purchasers expect to find merchandise of that character in a chain grocery store; and plaintiff alleges that it

thus appears clear that plaintiff's use of the mark he seeks to register would not confuse the public to opposer's (defendant's) injury; and plaintiff further alleges that the trade-mark "Safeway" was and has been applied by many others than plaintiff and defendant in this suit to many kinds of articles of merchandise, both of a character which might be sold in chain grocery stores, and of a character (like plaintiff's said seat covers) which would not be found in grocery stores such as those of opposer (defendant), and in so many different ways, and as part of the business names of so many concerns, from a time long prior to the first use by opposer (defendant) in its alleged corporate name, that the use of said name [30] "Safeway" is no more calculated to denote defendant opposer than it is to indicate any of the many others who, as aforesaid, have used said name.

Wherefore, plaintiff, counterclaim defendant, prays that said counterclaim be dismissed; that plaintiff, counterclaim defendant, recover his costs for this proceeding; and that the court grant such other and further or different relief as to the court will seem meet.

WESTALL AND WESTALL,

By /s/ JOSEPH F. WESTALL,

By /s/ EDWARD F. WESTALL,

Attorneys for plaintiff,  
counterclaim defendant.

Received copy of the within "Plaintiff's Reply to



Defendant's Counterclaim and Answer" this 11th day of October, 1946.

ORRICK, DAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
By DARIEN A. PALMER,  
Attorneys for defendant,  
counterclaimant.

[Endorsed]: Filed Oct. 11, 1946. [31]

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In the United States District Court for the  
Northern District of California, Southern  
Division

No. 26230-G

WARREN W. DUNNELL,

Plaintiff,

vs.

SAFEWAY STORES, INC., a corporation  
of the State of Maryland,

Defendant.

### MEMORANDUM DECISION

Goodman, District Judge. [32]

This is a bill in equity under 35 USCA § 63 for a declaration by the court that plaintiff is entitled to the registration of the Trade-mark "Safeway" pursuant to his application therefore filed in the Patent Office, Serial No. 453,099. The Commissioner of patents sustained the opposition of the defend-

ant to the granting of plaintiff's application and refused the registration.

Plaintiff, not having appealed from the Commissioner's decision to the Court of Customs and Patent Appeals, filed this action within the time and as provided in 35 USCA § 63.

Plaintiff manufactures sanitary paper covers for toilet seats and distributes them in containers to public lavatories. The containers are boxes which may be affixed to walls or otherwise installed in close proximity to toilets and from which the seat covers may be conveniently withdrawn. On the containers are the words "Safe" and "Way" with the drawing of a toilet seat between the two words. It is the words "Safe Way," as thus used, for which plaintiff sought trade mark registration.

Defendant corporation is owner and operator of a national chain of approximately 2,300 retail grocery stores in twenty-four of the states of the United States. The evidence without dispute shows that the general public identifies these stores under the name "Safeway." Much effort and money have been expended to establish the good will of defendant's stores under the name "Safeway."

The Commissioner sustained the opposition to plaintiff's application for registration mainly on the ground the Safeway stores sell such "paper products as toilet tissue and paper towels, which are clearly of the same descriptive properties as applicant's paper toilet seat covers" and therefore the mark used by plaintiff "constitutes a substantial appropriation of opposer's corporate name."

There is no question in this case, and I so find, that the mark used by plaintiff is upon an article not in competition with the merchandise offered for sale by defendant. It is unnecessary to cite the long list of authorities sustaining the doctrine that even as to non-competing goods, courts of equity will prevent "unfair" appropriation of another's good will name.\*

But this doctrine has certain limits. If the relationship of the products is so remote as to foreclose the possibility that they come from the same source, equity will not enforce the so-called "doctrine of non-competing goods." *Waterman & Co. v. Gordon*, 2 Cir. 72 Fed. (2d) 272; *Bulova Watch Co. v. Stolzberg*, 69 Fed. Supp. 543. In the latter case, Judge Sweeney cites as an example of too remote a relationship of commodities, steam shovels and lipsticks.

Here, plaintiff's toilet seat covers are not sold to the public generally. In fact they are not sold at all. Instead a sanitary service is furnished public lavatories. The public using these lavatories pays nothing for the seat cover. The mark of plaintiff, the evidence shows, refers to a method of use and is not a name descriptive of the article itself.

From the evidence it is clear to me that there is not the slightest relationship between the merchandise of the defendant and the kind of sanitary serv-

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\**Aunt Jemina Mill Co. v. Rigney*, 2 Cir. 247 Fed. 407; *Eastman Photo Material Co. v. Griffiths Cycle Co.* 15 R.P.C. 105; *Wall v. Rolls Royce of Amer.* 3 Cir. 4 Fed. (2d) 333; *Yale Elect. Corp. v. Robertson*, 2 Cir. 26 Fed. (2d) 972.

ice provided by plaintiff. Not by the wildest stretch of imagination [34] could a person using plaintiff's seat covers in a public lavatory, be confused at all into believing that by such use he was purchasing defendant's merchandise.

If the relationship between steam shovels and lipsticks be considered too remote, a fortiori, the relationship between the groceries of defendant's retail stores is indeed remote from a sanitary service supplied to lavatories. There is no "unfairness" in plaintiff's conduct here which warrants the application of the "non-competitive goods" doctrine.

Upon findings to be presented, a decree will enter in favor of plaintiff and against defendant upon its counterclaim.

Dated: May 19, 1947.

LOUIS E. GOODMAN,  
United States District Judge.

[Endorsed]: Filed May 20, 1947. [35]

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[Title of District Court and Cause.]

### ORDER SETTLING FINDINGS

Ordered:

(1) Defendant's proposed amendment No. 1 is allowed as follows: "Since 1926 defendant has been so engaged in the operation under the name 'Safeway' of retail grocery stores and sells therein foods and grocery products including paper toilet tissue,

sanitary napkins, facial tissue, paper cups, paper towels, and paper napkins.”

(2) In paragraph XI of proposed findings change the words “even a single” to “any.”

(3) Omit paragraphs VII, VIII and IX of the proposed conclusions, inasmuch as decision is not based on such [36] findings.

(4) Otherwise the proposed findings are approved.

(5) Let the findings be engrosed accordingly.

Dated: June 9, 1947.

LOUIS E. GOODMAN,

United States District Judge.

[Endorsed]: Filed June 9, 1947. [37]

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[Title of District Court and Cause.]

FINDINGS OF FACT AND CONCLUSIONS OF  
LAW AS CORRECTED BY ORDER OF  
COURT OF JUNE 9, 1947.

Pursuant to Rule 52 of the Rules of Civil Procedure and local rule 5 (e) of this court, the court makes the following findings of fact and conclusions of law:

Findings of Fact

I.

Plaintiff is a resident of the city of Los Angeles, county of Los Angeles, and state of California:

## II.

Defendant is a corporation organized and existing under the laws of the state of Maryland, and having its principal place of [38] business in the city of Oakland, county of Alameda, and state of California.

## III.

On October 28, 1933, plaintiff Dunnell adopted, and continuously and extensively thereafter used in domestic, interstate and foreign commerce to the time of trial of this action, the trade-mark "Safe Way" within a design, as shown in Plaintiff's Exhibit 1, copy of application of plaintiff Dunnell, Serial No. 453,099, for registration under federal law of said trade-mark as applied to paper toilet seat covers.

## IV.

Said application mentioned in the immediately preceding finding was thereafter passed for publication, and within due time defendant herein (opposer before the Patent Office) served and filed a notice of opposition of said defendant-opposer, Safeway Stores, Inc., to said registration.

## V.

After issues joined on said notice of opposition and testimony duly taken, said opposition was sustained by the Examiner of Interferences of the Patent Office, from which decision plaintiff herein appealed to the Commissioner of Patents, who thereafter, on April 24, 1946, affirmed said decision of

the Examiner of Interferences, said decision of the Commissioner appearing as paper 37 in Plaintiff's Exhibit 2 in this action, and reported at 169 U. S. P. Q. 204.

## VI.

Within due time after said last-mentioned decision of the Commissioner of Patents, plaintiff in this action, Dunnell, [39] elected to institute this action under § 4915 R. S. U. S., Title 35, § 63, U. S. Code, and Title 15, § 89, U. S. Code, instead of appealing to the United States Court of Customs and Patent Appeals, and thereafter defendant herein filed its answer to the complaint.

## VII.

Plaintiff manufactures sanitary paper covers for toilet seats and distributes them in containers to public lavatories. The containers are boxes which may be affixed to walls or otherwise installed in close proximity to toilets and from which the seat covers may be conveniently withdrawn. On the containers are the words "Safe" and "Way" with the drawing of a toilet seat between the two words. It is the words "Safe Way" as thus used, for which plaintiff sought trade-mark registration, disclaiming the representation of a toilet seat cover except as part of the said trade-mark claimed.

## VIII.

Plaintiff's toilet seat covers are not sold to the public generally. In fact they are not sold at all.



Instead a sanitary service is furnished public lavatories. The public using these lavatories pays nothing for the seat cover.

## IX.

Defendant corporation is owner and operator of a national chain of approximately 2,300 retail grocery stores in twenty-four of the states of the United States. The evidence without dispute shows that the general public identifies these stores under the name "Safeway." Much effort and money have been expended to establish the good will of defendant's stores under the name "Safeway." Since 1926 defendant has been so engaged in the operation, under the name "Safeway," of retail grocery stores, and sells [40] therein foods and grocery products, including paper toilet tissue, sanitary napkins, facial tissue, paper cups, paper towels, and paper napkins.

## X.

The Commissioner sustained the opposition to plaintiff's application for registration mainly on the ground the Safeway stores sell such "paper products as toilet tissue and paper towels, which are clearly of the same descriptive properties as applicant's paper toilet seat covers" and therefore the mark used by plaintiff "constitutes a substantial appropriation of opposer's corporate name." The evidence in this action shows that they are not of the same descriptive properties.

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## XI.

The evidence is conclusive, and in fact it is admitted by defendant, that neither defendant nor any of its subsidiary corporations, of which it owned stock or which it afterwards acquired, at the end of 1942 (1941 as to a single one of them) which was only one year and three months before the filing of said opposition, ever had a single call for toilet seat covers, nor did defendant or any of its subsidiaries ever manufacture, cause to be manufactured, approve for sale, purchase for sale, or offer for resale, any toilet seat cover under the name "Safe Way" or under any other name, or at all.

## XII.

During all the time from plaintiff's first adoption and use of said trade-mark, the evidence shows that no one ever confused the source of manufacture, distribution or sponsorship of plaintiff Dunnell's said product (or any other seat cover whatsoever) as being by defendant in this action. [41]

## XIII.

The evidence conclusively shows that plaintiff only sold his toilet seat covers under said trade-mark to public service corporations, such as gasoline service stations, transportation companies, newspaper offices, and others, and not to the general public including grocery store customers, for distribution by said concerns gratis to users of said public services.

## XIV.

There is no evidence that plaintiff ever traded on any reputation of defendant; on the contrary, always, from his first adoption and use of the name until and through the opposition proceedings in this case, plaintiff advertised said product under said name—not in mediums easily accessible to grocery store customers—but in special trade lists, and which could be reached by his special class of distributors, and then only under his fictitious name “Sani-Gard Sales Company”, duly registered under the laws of the state of California, and later, after a slight change in the name, “Sani-Gard Cover Company.” The latter was also registered under the laws of the state of California, and all of said products were plainly marked with the source of manufacture, “Sani-Gard \* \* \* Company” during all the years plaintiff distributed said product, and during all such time plaintiff Dunnell’s special customers were kept advised of his source of manufacture.

## XV.

While it may be conceded that defendant has a good reputation as a distributor of grocery store items (toilet seat covers under any name whatsoever never having been among such items of distribution by defendant or any of its subsidiaries), plaintiff’s reputation in the sale of toilet seat covers under said trade-mark and under his own fictitious name, “Sani-Gard \* \* \* Company,” up to [42] the time of the trial of this action is conclusively proven by sales aggregating 172,725,000 toilet seat covers.

## XVI.

The evidence shows conclusively that up to the time of the filing of the opposition in the Patent Office by defendant in this action of the over 172,000,000 toilet seat covers distributed by plaintiff Dunnell (as set forth in Finding XV hereof) plaintiff Dunnell distributed in the state of California alone 44,080,000 toilet seat covers under said trade-mark, at least, approximately, twenty-five per cent of said sales being in the Oakland San Francisco Bay territory (defendant's principal place of business being in Oakland), all without protest on behalf of defendant.

## XVII.

There is no evidence in the record of this action to support any allegation or inference of damage to defendant, of unfair competition by plaintiff with any activities of defendant; on the contrary, the evidence shows conclusively that defendant has not been damaged by any use by plaintiff of his said trade-mark as *to* applied, and cannot in the future be damaged by granting the prayer of the complaint.

## XVIII.

The mark of plaintiff, as the evidence shows, refers to a method of use and is not a name descriptive of the article itself.

## XIX.

From the evidence it is clear to this court that there is not the slightest relationship between the

merchandise of the defendant and the kind of sanitary service provided by plaintiff. Not by the wildest stretch of imagination could a person using [43] plaintiff's seat covers in a public lavatory, be confused at all into believing that by such use he was purchasing defendant's merchandise.

## XX.

There is and has been no "unfairness" in plaintiff's conduct, as recited in defendant's counterclaim, or otherwise, to warrant application of the "non-competitive goods" doctrine. Any relationship between groceries of defendant's retail stores is extremely remote from the sanitary service by plaintiff supplied to lavatories.

Dated this 18th day of June, 1947.

LOUIS E. GOODMAN,

United States District Judge.

## Conclusions of Law

### I.

This court has jurisdiction of the parties in the subject matter of this action.

### II.

It is not necessary under the express provisions of the Act, Title 35, §38, U. S. Code, and Title 15, §83, U. S. Code, to join the Commissioner of Patents as a party to this action.

## III.

This action requires a trial de novo, and is not an appeal from any decision of the Patent Office denying registration. [44]

## IV.

Defendant has not been damaged, as asserted in its counterclaim, and cannot be damaged in the future, by any act of plaintiff in the use of his said trade-mark as so applied, nor can defendant be damaged by the authorization of this court to the Patent Office to grant registration of his trade-mark as prayed in the complaint.

## V.

Plaintiff became the owner of said trade-mark "Safe Way" as so applied, under the common law by adoption and use in October, 1933, and since said date has not abandoned the use of said mark, and is still the owner thereof.

## VI.

The extensive use of the name "Safeway" by individuals, corporations or concerns other than defendant in this action in their corporate or business names, and such extensive use of said mark as a trade-mark as shown by many registrations of it prior to the time defendant in this action acquired title to the stores of its alleged subsidiary corporations (in which it owned stock prior to acquirement of title) should bar defendant from opposing applicant's registration and warrant the grant of the relief prayed in the complaint.

## X.

The circumstances (even if true, but not shown by the evidence and not proven or capable of inference from the evidence) that the registration of plaintiff's mark will cause confusion and mislead the public into belief that applicant's goods are manufactured by or sponsored by defendant in this action, and that such would damage defendant, is not damage of the character contemplated by statute, and the prayer for authorization of this court of [45] registration of plaintiff's mark must be granted, since toilet seat covers and grocery items are not goods of the same descriptive properties.

## XI.

Toilet seat covers, under the law, are not of the same descriptive properties as grocery items sold by defendant, such as paper towels or toilet tissues.

## XII.

It is not baldly the law that "all that is necessary is that the corporation (opposer) come into existence before the application to register by plaintiff is filed", in that the special circumstances of each case must be looked into, and the law of unfair competition should be considered and correctly applied in every case.

Dated this 18th day of June, 1947.

LOUIS E. GOODMAN,

United States District Judge.

[Affidavit of service by mail.]

[Endorsed]: Filed June 18, 1947. [46]

In the District Court of the United States for the  
Northern District of California, Southern Division

Civil Action No. 26230-G

WARREN W. DUNNELL,

Plaintiff,

vs.

SAFEWAY STORES, INC., a corporation of the  
state of Maryland,

Defendant.

### JUDGMENT

The above-entitled cause having come on regularly for trial, Honorable Louis E. Goodman, United States District Judge, presiding:

It is hereby Ordered, Adjudged and Decreed as follows:

#### I.

That this court has jurisdiction of the parties and subject-matter in this action.

#### II.

That the prayer of the complaint be, and the same is hereby granted, and the Commissioner of Patents is hereby authorized and directed to grant the registration requested [48] by applicant (plaintiff herein) Warren W. Dunnell, in application for registration, Serial No. 453,099, filed May 19, 1942.



## III.

That the prayer of defendant-counterclaimant in its counterclaim be, and the same is hereby, denied, and that said counterclaim be, and the same is hereby dismissed at counterclaimant's costs.

## IV.

That plaintiff herein recover his costs and taxable disbursements herein in the sum of \$116.14 and that execution issue therefor.

Entered this 18th of June, 1947.

LOUIS E. GOODMAN,  
United States District Judge.

Approved as to form as provided in Rule 5 (d).

MITCHELL T. NEFF,  
WILLARD S. JOHNSTON,  
ORRICK, DAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
Attorneys for defendant-  
counterclaimant. [49]

(Acknowledgement of Receipt of Copy.)

[Endorsed]: Filed and Entered June 18, 1947.

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[Title of District Court and Cause.]

NOTICE OF APPEAL TO CIRCUIT  
COURT OF APPEALS

Notice Is Hereby Given that Safeway Stores, Incorporated, a corporation, Defendant and Coun-

terclaimant above named, hereby appeals to the Circuit Court of Appeals for the Ninth Circuit from the final judgment entered in the above entitled action on June 18, 1947.

Dated: September 15, 1947.

MITCHELL T. NEFF,  
WILLARD S. JOHNSTON,  
ORRICK, DAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
Attorneys for Appellant.

[Endorsed]: Filed Sept. 15, 1947. [51]

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[Title of District Court and Cause.]

DESIGNATION BY DEFENDANT AND COUNTERCLAIMANT OF PORTIONS OF THE RECORD PROCEEDINGS AND EVIDENCE TO BE CONTAINED IN THE RECORD ON APPEAL

Comes now Safeway Stores, Incorporated, a corporation, Defendant and Counterclaimant above named, and having filed herein its Notice of Appeal to the Circuit Court of Appeals, hereby designates for inclusion and to be contained in the record on said appeal, the complete record and all proceedings and evidence in the above entitled action, including but not in limitation of the foregoing, all pleadings, the findings of fact and conclusions of law, the judgment, the opinion, all of the evidence received

at the trial of said action including [52] the testimony of the witnesses, depositions and other documentary and physical evidence, all exhibits except Exhibit N, the notice of appeal and the order dated September 16, 1947 for the transmission of exhibits to the Circuit Court of Appeals.

Dated: September 17, 1947.

MITCHELL T. NEFF,  
WILLARD S. JOHNSTON,  
ORRICK, DAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
Attorneys for Appellant.

Receipt of a copy of the foregoing Designation is hereby admitted this 17th day of September, 1947.

JOSEPH F. WESTALL,  
EDWARD F. WESTALL,  
WESTALL AND WESTALL,  
CHARLES M. FRYER,  
By CHARLES M. FRYER,  
Attorneys for Plaintiff and  
Counterclaim-Defendant.

[Endorsed]: Filed Sept. 17, 1947. [54]

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[Title of District Court and Cause.]

### ORDER

Good Cause Appearing Therefor, It Is Ordered that the Clerk of the United States District Court

for the Northern District of California, Southern Division, transmit the following exhibits and other documentary and physical evidence and the reporter's transcript to the Clerk of the Circuit Court of Appeals for the Ninth Circuit for use and inspection by said Appellate Court in connection with the appeal in the above-entitled action, and that at the conclusion of the appeal that said exhibits and other documentary and physical evidence and said reporter's transcript be returned to the Clerk of this Court, to-wit:

1. Plaintiff's Exhibits through 6, both inclusive.
2. Defendant's Exhibits A, I, J, K, L, M, N, O, P, Q, R, S, U, V and X.
3. The photostatic copies of Defendant's Exhibits B, C, D, E, F, G, H, T and W that have been substituted for the originals of said exhibits pursuant to the orders of the above-entitled Court.
4. Deposition of Warren W. Dunnell taken in Los Angeles February 28, 1947.

Dated: September 17, 1947.

LOUIS E. GOODMAN,  
Judge of the United States  
District Court.

[Endorsed]: Filed Sept. 17, 1947. [55]

[Title of District Court and Cause.]

DESIGNATION OF PLAINTIFF AND COUNTERCLAIM DEFENDANT OF PORTIONS OF THE RECORD PROCEEDINGS AND EVIDENCE TO BE CONTAINED IN THE RECORD ON APPEAL

Defendant, Safeway Stores, Inc., has heretofore, on September 16 last, filed with the Clerk of the District Court its "Designation \* \* \* of Portions of the Record Proceedings and Evidence to be Contained in the Record on Appeal." While said designation appears to be of the whole record, in some respects it appears slightly ambiguous in that (while apparently implied) it has not specified clearly, particularly:

(1) Plaintiff's exhibit 1, certified copy of the application of Warren W. Dunnell, Serial No. 453,099, filed May 19, 1942, for registration of the trademark "Safe Way" as applied to toilet seat covers, together with paper No. 13 of said application, namely action of the Patent Office in passing for publication in the Official Gazette.

(2) Plaintiff's exhibit 2, certified copy of papers 1, 3, 5, 6, 7, 8, and 37 in Opposition No. 23,281, comprising:

- (1) Notice of opposition of defendant in this case, filed in the Patent Office on April 6, 1944, and its accompanying exhibits;
- (3) Patent Office notice of May 4, 1944, of said opposition;

- (5) Plaintiff-applicant's response to Office Action of May 4, 1944;
- (6) Patent Office action of May 20, 1944;
- (7) Plaintiff's answer to notice of opposition;
- (8) Office Action of June 6, 1944; and
- (37) Decision of April 24, 1946, of the First Assistant Commissioner of Patents, refusing applicant's request for registration.

(3) Plaintiff's exhibit 3, Patent Office certified [56] copy of the testimony for both plaintiff-applicant and opposer-defendant in this case taken in said opposition proceeding No. 23,281, together with each of the exhibits offered in evidence during the taking of said depositions.

We emphasize that each of these exhibits comprising, as they do, important evidence in support of the decision of the District Court appealed from, and necessary to be fully considered by the Court of Appeals (and pages of the printed record to be indicated), that each of said exhibits be printed in the record on appeal. We also must emphasize that we do not have copies of these from which to work, and would be seriously handicapped unless they are printed in the appeal record.

Dated this 24th day of September, 1947.

WESTALL & WESTALL,  
Attorneys for Plaintiff-  
Appellee.

By /s/ JOSEPH F. WESTALL.

We hereby certify that we have served the foregoing designation upon opposing counsel, Orrick, Dahlquist, Neff, Brown and Herrington, by mailing with postage fully prepaid to the address of said attorneys, 405 Montgomery Street, San Francisco 4, California, this 24th day of September, 1947.

WESTALL & WESTALL,

Attorneys for Plaintiff and  
Counterclaim Defendant.

By /s/ JOSEPH F. WESTALL.

[Endorsed]: Filed Sept. 25, 1947. [57]

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[Title of District Court and Cause.]

ORDER EXTENDING TIME TO DOCKET

Good cause appearing therefor, it is hereby Ordered that the Appellants herein may have to and including December 4, 1947, to file the Record on Appeal in the United States Circuit Court of Appeals in and for the Ninth Circuit.

Dated: October 24, 1947.

LOUIS E. GOODMAN,

United States District Judge.

[Endorsed]: Filed Oct. 24, 1947. [58]



District Court of the United States, Northern  
District of California

CERTIFICATE OF CLERK TO TRANSCRIPT  
OF RECORD ON APPEAL

I, C. W. Calbreath, Clerk of the District Court of the United States, for the Northern District of California, do hereby certify that the foregoing 58 pages, numbered from 1 to 58, inclusive, contain a full, true, and correct transcript of the records and proceedings in the case of Warren W. Dunnell, Petitioner, vs. Safeway Stores, Inc., a corporation, Defendant, No. 26230 G, as the same now remain on file and of record in my office.

I further certify that the cost of preparing and certifying the foregoing transcript of record on appeal is the sum of \$10.70 and that the said amount has been paid to me by the Attorney for the appellant herein.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said District Court at San Francisco, California, this 2nd day of November, A.D. 1947.

[Seal]      /s/ C. W. CALBREATH,  
Clerk.

In the Southern Division of the United States  
District Court for the Northern District of  
California

Before: Hon. Louis E. Goodman,  
Judge.

No. 26230-G

WARREN W. DUNNELL,

Plaintiff,

vs.

SAFEWAY STORES, INC.,

Defendant.

### REPORTER'S TRANSCRIPT

Excerpt of Proceedings of March 12, 1947

Counsel appearing:

For plaintiff: Joseph F. Westall, Esq.

For defendant: Willard Johnston, Esq.

Mr. Westall: I offer as plaintiff's exhibit No. 1 a certified copy of the Application of Warren W. Dunnell, No. 453,099, filed May 19, 1942, for registration of the trade-mark Safe Way, as applied to toilet seat covers.

The Court: Any objection?

Mr. Johnston: I understand opportunity will be afforded to cross-examine on any of these exhibits.

The Court: Yes. The exhibit may be marked.

(Certified copy patent application #453099  
marked Plaintiff's Exhibit No. 1.)

Mr. Westall: We offer as plaintiff's exhibit No. 2 certified copies of Papers 1, 3, 5, 6, 7 and 37 in opposition No. 23281 comprising Notice of Opposition filed April 6, 1944, and its accompanying exhibits.

(Patent Office Record in Opposition—Safe Way marked Plaintiff's Exhibit No. 2.)

### Certificate of Reporter

I, F. J. Sherry, Official Reporter, certify that the foregoing page 2 is a true and correct transcript of the matter therein transcribed as reported by me and thereafter reduced to typewriting, to the best of my ability.

/s/ F. J. SHERRY.

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Wednesday, March 12, 1947

10:00 o'Clock A.M.

The Clerk: Dunnell vs. Safeway.

Mr. Westall: Ready for Plaintiff.

Mr. Johnston: Ready.

(After opening statements the following testimony was taken.)

### WARREN W. DUNNELL

called as a witness on behalf of the Plaintiff; and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court?  
A. Warren W. Dunnell.

(Testimony of Warren W. Dunnell.)

Direct Examination

By Mr. Westall:

Q. Mr. Dunnell, I place before you a tabulation entitled "Safe Way Seat Cover—Number of Seat Covers Sold in Designated Territories" from the date of Plaintiff's Exhibit Q to the filing of the complaint in this case July 30, 1946, and I ask you if you prepared that statement?

A. This is not the exhibit I believe you referred to.

Q. Yes, I am referring to that now, because——

A. They are both the same.

Mr. Westall: Wait a minute. I didn't give you Exhibit Q. I thought I gave the Court Exhibit Q. I have a copy of it here and perhaps I can hand up this copy. [2\*]

Mr. Johnston: That is perfectly agreeable.

Mr. Westall: It is our office copy of the exhibit.

The Court: Do you wish the witness to look at this?

Mr. Westall: He knows what it is.

(Paper handed to witness by the Court.)

Mr. Westall: And Counsel has seen this exhibit before. It was taken from Mr. Dunnell's deposition.

Will you read the last question I put to the witness, please, Mr. Reporter?

(Question read.)

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\* Page numbering appearing at top of page of Reporter's certified Transcript of Record.

(Testimony of Warren W. Dunnell.)

Q. (By Mr. Westall) You keep all your records of your company, the Sani-Gard Company, do you not? A. I do.

Q. And prepared that statement from an examination of those records, did you not?

A. I have, yes, sir.

Q. Is that a correct tabulation of the number of Safe Way Toilet Seat Covers you have sold during the period from 1942, including 1946?

Mr. Johnson: Just a moment, I don't believe that is competent evidence at this time. In this case the Court is asked to reverse a decision of the Patent Commissioner on the basis of an application that was presented to the Patent Commissioner in 1942. In that case evidence was presented showing his sales and volume of business up to 1942. It does [3] not seem to me that since then and since the opposition it is material to show what business, if any, he has done since that time. That has no bearing whatsoever on the validity of the Patent Office decision.

Mr. Westall: You brought it out in the deposition.

Mr. Johnston: I brought it out for discovery, yes, but it hasn't any bearing here.

Mr. Westall: This is a trial de novo, and not an appeal. If it was an appeal Counsel would be correct.

The Court: It is a trial de novo, but I take it if there was a change of circumstance, or a factual change between the hearing before the Commissioner and the hearing before this Court, that that would

(Testimony of Warren W. Dunnell.)

not justify the Court, would it, in determining the matter differently than the Commissioner? While it is a trial de novo this Court does not act as a Patent Office examiner as if the matter were being for the first time presented here.

It is a trial de novo, but only in the sense that the Court can hear any other evidence that would be pertinent to the application that was pending before the Commissioner.

Mr. Westall: It is possible your Honor's view is correct, but we thought inasmuch as we had a right to file this case and anything subsequent to that time as showing wide distribution and good reputation, that he had in doing business——

The Court: You wish to show that the business of this [4] company has increased since the time of the application?

Mr. Westall: Yes, very much. In other words, it was only 72 million then that he sold. Now, it is 172 million to date and he had tried to do that and he had a perfect right to do it regardless of whether registration was granted. They have attacked inferentially and otherwise his good reputation for selling. That shows he has a good reputation and it shows the seat covers have a good reputation because of the vast number he has sold.

The Court: To that limited extent I will allow it. I think the objection might be technically correct, but for the limited purpose of showing there is a substantial business involved, I will allow it.

Q. (By Mr. Westall) You have testified in the

(Testimony of Warren W. Dunnell.)

opposition proceeding that during all the time you used Safe Way trademark as applied to toilet seat covers no instance of any confusion as to the source of manufacture, being you as the Sani-Gard Sales Company, has ever come to your attention. I will now ask you if any instance of any confusion as to the source of manufacture has ever come to your knowledge since the time of giving your testimony in the oppsition proceeding.

Mr. Johnston: Same objection.

The Court: Same ruling. The Court can consider any matters that reasonably bear even more recently on this matter.

Mr. Westall: That is true so far as our counter claim is [5] concerned. I didn't understand he was presenting his claim, his case on the counter claim now.

The Court: Now, you have asked him two questions and we have not had an answer to one of them yet. Will you read the first of the questions?

(Record read.)

The Witness: Yes, sir, this is a correct tabulation.

Mr. Westall: Now, will you read the last question I put to the witness?

(Record read.)

The Witness: There has never come to my attention any instance of confusion at any time since I



(Testimony of Warren W. Dunnell.)

have been in business with respect to the sales of Safe Way Seat Covers.

The Court: What do the sales amount to in dollars and cents in your business, annually, in the last two years?

The Witness: You are interested in that and we have given you the figure of seventy-three and a half million, but up to the time of this opposition proceeding that would come to about \$125,000,000.

The Court: So that the year in which you sold \$72,000,000 would amount to your volume of business in that year?

The Witness: That is correct.

Q. (By Mr. Westall): Do you own this business?

A. I am the sole owner of the business. [6]

Q. How long have you been engaged in that business? A. Since 1931.

Q. That is exclusively your business, manufacturing and selling these seat covers?

A. That is my entire business.

Q. And you are the sole owner?

A. I am the sole owner of the business.

The Court: I will take an adjournment until two o'clock.

I don't want you to think I am trying to hurry you unduly in this case, but I don't see that any purpose would be served in Counsel reading to the Court these long records. If there is any particular evidence to look at, or if it is necessary for me to read all of it, I will do so, but it will be unduly

(Testimony of Warren W. Dunnell.)

wasteful of the Court's time to read all of this record during court hours.

As I see it, there is not very much factual dispute, so if Counsel can present this afternoon the additional testimony, we can consider the proper way of submitting the matter.

I just wanted to make it clear to you that I am not intending to cut off either side from presenting anything they want, but I am trying to find a way of doing it without unduly wasting time.

Mr. Westall: I think in making my opening statement I believe I cited controlling circumstances which could be stated very briefly in a very few pages. The entire contents could [7] be stated in a few pages.

Mr. Johnston: Of course, how much additional testimony Counsel has, or how long his case will take, I don't know, but I have one witness who is scheduled to be in Los Angeles tomorrow. I would like to have him heard today so that he can get away.

The Court: I will hear him this afternoon.

(Thereupon an adjournment was taken until two o'clock p.m.) [8]

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Afternoon Session, March 12, 1947

2:00 o'Clock P.M.

The Court: Proceed.

Mr. Westall: I would like to have Mr. Dunnell

take the stand. There are just a few questions that I want to ask, formal questions in proof of allegations of the complaint which have been denied.

The Court: Very well.

WARREN W. DUNNELL

recalled on behalf of the plaintiff; and having been previously sworn, testified as follows:

Direct Examination

(Resumed)

By Mr. Westall:

Q. I don't believe you stated your residence?

A. I am a resident of Los Angeles, California.

Q. You are a citizen of the United States, are you not?

A. Yes, I am.

Q. And you are the plaintiff in this case?

A. I am the plaintiff in this case.

Q. You were a part to the opposition proceeding No. 23,281 in the Patent Office, were you not?

A. Yes, sir.

Q. Since giving your testimony in said opposition proceeding, has any instance come to your knowledge that anyone has ever mistaken the source of manufacture and of the distribution [9] and sale of your toilet seat covers?

A. There has never come to my knowledge that anyone has ever mistaken that, but what Safe Way Covers were manufactured and originated by myself as the Sani-Gard Sales Company.

Q. Since giving your testimony in Opposition Proceeding No. 23,281, have you ever sold seat

(Testimony of Warren W. Dunnell.)

covers under the trademark Safe Way to any other than the special class of purchasers mentioned by you in your testimony in said opposition proceedings in evidence?

A. It has always been the same class of customers.

Q. What has been your reputation as a distributor of toilet seat covers under the name Safe Way since you first adopted that name and up to the present time?

Mr. Johnson: I object to that as calling for the opinion and conclusion of the witness and as being self-serving testimony.

The Court: What is the importance of that?

Mr. Westall: We have asserted he has a good reputation and they have asserted or implied they have a good reputation in the distribution and we are trying to trade on their reputation, and we want to show we have a good reputation.

The Court: That is the only purpose?

Mr. Westall: Yes.

The Court: I will overrule the objection.

The Witness: My reputation I think is a very good one. I never had any complaints about the manner in which I have [10] conducted my business and I think the fact that I have sold as many as seventy-three and a half million covers since 1933 up to the time of the opposition in a way speaks for itself as showing that I have a good reputation in the manufacture and distribution of that cover under the name Safe Way.

(Testimony of Warren W. Dunnell.)

Q. (By Mr. Westall): Did anyone ever complain to you as to the quality or character of that product sold under the name Safe Way?

A. I never had any complaint about my Safe Way product.

Q. In Paragraph 9 of your verified complaint you allege your reputation in the sale of toilet seat covers under the trademark Safe Way as compared to any reputation the defendant may have is 73,567,000 to nothing. Will you please explain a little more fully what you meant by such a statement and state whether it is true.

Mr. Johnston: That is purely speculative and the question is founded on a fallacy.

The Court: That is argumentative.

Mr. Westall: I know, but we have made the allegation.

The Court: Irrespective of that, I don't see how that aids the Court: I can calculate that if the plaintiff sold seventy-three million and if the defendant has sold nothing, that that is the case.

Mr. Westall: That is what I think, but I wanted to be sure it was in evidence, or would be assumed or would be taken [11] judicial notice of by the Court.

Q. What do you understand the nature of the reputation of the defendant to be from any personal observations in the distribution of products sold by them?

Mr. Johnston: I object to that.

The Court: What is the importance of that?

(Testimony of Warren W. Dunnell.)

Mr. Westall: They are insisting they have a very good reputation and we were injuring the reputation.

The Court: Suppose we grant both sides have good reputations, would that make any difference?

Mr. Westall: Yes, because he wouldn't have any reputation, good or bad, in selling a product they ever sold. They couldn't have a good reputation in the sale of a product if they never sold or never had anything to do with the product Mr. Dunnell handles.

The Court: Of course, the Court can draw that conclusion.

Mr. Westall: Yes, and the Court can draw the conclusion that any good reputation they have refers to the——

The Court: I don't think those questions are involved in the factual pictures here, are they?

Mr. Westall: I think that many of these things can readily be inferred from the evidence.

The Court: I think you can make your argument as to these matters.

Mr. Westall: If there are sufficient facts before the [12] Court—I made allegations and they are denied and my only purpose was to ask these questions for that purpose.

The Court: Are there any other questions you have in mind?

Mr. Westall: I now withdraw the question.

Q. To your knowledge, has the defendant in this case ever, not having any such product as your



(Testimony of Warren W. Dunnell.)

Safe Way covers to sell, expressed a desire to sell that product?

The Court: I thought the statement was made by Counsel that the Safeway Stores do not sell that.

Mr. Johnston: That is correct.

Mr. Westall: And furthermore, never expressed any desire to sell.

The Court: You have already offered in evidence some letters in which the company stated it was not interested in selling.

Mr. Westall: Yes, we have, and there may be several.

Q. Did the defendant in this case or any of its subsidiary stores ever at any time since you began the use of the name Safe Way, complain to you or object to such use on any ground whatsoever?

A. I never had any complaint from Safeway Stores.

Q. Do you know whether or not the defendant in this case had any notice prior to the opposition proceeding heretofore referred to of your extensive use of your trademark so applied? [13] If so, please explain.

A. Yes, they had notice along the lines of this distribution of my Safe Way covers in this territory, San Francisco and Oakland, as well as other parts of the country, by reason of the fact that I installed these Safe Way covers in public restaurants, and many other places; and also in one instance in Los Angeles one of the jobbers that I dis-



(Testimony of Warren W. Dunnell.)

tributed Safe Way covers to made a request I go out and install some of my Safe Way covers in one of their subsidiaries.

Mr. Johnston: Just a minute, Mr. Dunnell, excuse me for interrupting, but I must object to this entire answer as not responsive to the question. He is giving a long speech and is proceeding with general and vague statements as to what we might have notice of.

Mr. Westall: But I said, "If so, please explain," and he is explaining.

The Court: Did you ever have any communication with any officers or representatives of the Safeway Company with respect to your product?

The Witness: Through one jobber in Los Angeles I installed some of my equipment and the covers in one of their subsidiary companies, as I understand it, the company being the Lucerne Creamery and Butter Company.

Mr. Johnston: I will ask that that answer be stricken unless the details as to the time and place and on whose order, [14] and where it was installed, are given.

Q. (By Mr. Westall): Did you actually install those yourself in this subsidiary company of the defendant corporation in this case. A. I did.

Q. And they were labeled "Safe Way Cabinets" and you sold them as "Safe Way Cabinets" and "Safe Way Covers" for use in the cabinets?

A. I didn't make the sale directly myself, but it was done by one of my jobbers.

(Testimony of Warren W. Dunnell.)

Q. But you installed them?

A. They called and requested I make the installation because the Lucerne were having difficulty in getting the cabinets mounted on the wall.

The Court: When was this?

The Witness: This was prior to filing the opposition, as I remember, in 1941 or 1942.

The Court: Is this matter covered in the record?

Mr. Westall: No, that isn't covered in the record.

Q. Are you and have you been dissatisfied with the decision of the Commissioner of Patents on his refusal to grant your application for the registration of the trademark Safe Way as applied to toilet seat covers?

A. No, I have not been satisfied.

Q. Did you appeal to the United States Court of Customs and [15] Patent Appeals from said decision with which you were dissatisfied?

A. No, I didn't appeal to that court. On the other hand I filed this action in this court.

Q. You elected to file this suit instead of filing the appeal?

A. I so elected.

Q. Did the denial of your application for registration of the trademark Safe Way as applied to toilet seat covers injure you in any way, and if so, please explain?

Mr. Johnston: I object to that as leading and I also object on the ground it calls for the conclusion and opinion of the witness.

(Testimony of Warren W. Dunnell.)

The Court: What is the competency of that?

Mr. Westall: What we want to show and what we think the Court will take judicial notice of when we come to arguing the case is that denial of registration is the denial of a distinct right of ours as granted under the constintution.

The Court: The law gives a man a right to register a trademark. He doesn't have to make any further showing than he is entitled to registration.

Mr. Westall: That is true, but we want to show the Court simply that he had been prohibited from marking his product "Trade-mark Registered under the Federal Laws".

The Court: I will take judicial notice of that.

Mr. Westall: And also he would be excluded [16] from access to the Federal Courts where we usually get better justice than we do in the state courts.

The Court: We thank you for the compliment, but I think that is unnecessary as an evidentiary matter. If Plaintiff is entitled to have this trade-mark registered the Court will decide in his favor irrespective of whether it carries benefits with it or not. I don't see how this is evidentiary matter, Counsel.

Mr. Westall: It runs into argument, I will admit, and it is pretty hard to distinguish between what the Court will take judicial knowledge of in a trial de novo and on appeal.

Incidentally, I found Exhibit Q here.

Q. Will you please state if you know, the amount of capital invested by you in the promotion, ad-

(Testimony of Warren W. Dunnell.)

vertising and sales of your Safe Way Seat Covers during the time you first adopted and used that name?

A. That amounts to approximately \$20,000. The exact figures as I took them off of my books were \$19,732.92.

The Court: Do you manufacture the covers yourself?

The Witness: Yes.

The Court: And you distribute them after you manufacture them?

The Witness: Yes.

Q. (By Mr. Westall): Where is that manufacturing plant. A. In Los Angeles. [17]

Mr. Westall: Plaintiff rests.

(Plaintiff Rests)

#### Cross-Examination

By Mr. Johnston:

Q. Mr. Dunnell, when did you make this installation in the Lucerne Creamery?

A. My recollection of it was approximately 1942, the first part, I think, and it was in January or February or March of 1942.

Q. When did you last check about the date of it?

A. At the time of the filing of this opposition some questions arose as to how I might have—whether I had sold my Safe Way Seat Covers to the Safeway Stores and I remembered that particular instance, so I got in contact with the Ingraham Paper Company of Los Angeles.

(Testimony of Warren W. Dunnell.)

Q. When?

A. At the time the opposition was filed to this case.

Q. January in 1942? A. Or 1944.

Q. The opposition was filed in 1944?

A. That's correct.

Q. And that is when you last examined into this matter? A. That's right.

Q. And you haven't checked into any records since then to see when that was?

A. I checked it at that time.

Q. And you are not sure whether it was 1941 or 1943 or 1942, [18] as a matter of fact, are you?

A. I am sure it was the first two or three months of 1942.

Q. You are sure it was the first two or three months of 1942 and not the sixth or seventh months?

A. My recollection is that it was in the month of March.

Q. Where was this installation made?

A. In the Lucerne Creamery and Butter Company on the corner of Alameda and Vernon Avenue in Los Angeles.

Q. What did the installation consist of?

A. It consisted of maybe six to eight of my Safe Way Dispensing Cabinets.

Q. Did you install them yourself?

A. Yes, sir.

Q. At that time? A. Yes, sir.

Q. Do you know whether they are there now?

A. I do not know.

(Testimony of Warren W. Dunnell.)

Q. You did that personally yourself?

A. Yes.

Q. Did you talk to anybody at the Lucerne at the time? A. Oh, yes.

Q. Who did you talk to?

A. I had to find the janitor or the superintendent, or whatever he was called, in charge of the building and have him point out the rest rooms where they wanted to put them. [19]

Q. Did you have any discussion there at that time with respect to the use of the name Safe Way?

A. None at all.

Q. None at all with anybody?

A. None at all with anybody.

Q. And you talked to the janitor about the matter? A. That's right.

Q. And the name appeared on these dispensing cabinets you installed just as it appeared on the sign out in front, is that correct?

A. I don't know what you refer to.

Q. Wasn't the name "Safeway" elsewhere in the place?

A. No, my recollection is that it was the Lucerne Creamery.

Q. You don't recall whether it had the name "Safeway" out there?

A. No, I don't recall it did.

Q. Will you give us a breakdown of this item of some \$20,000 of advertising expense?

A. Yes, there are two parts to that expenditure; part of it was for literature, catalog matter, adver-



(Testimony of Warren W. Dunnell.)

tising and trade papers, and directories, and things of that kind; and another part was for travelling expenses throughout the country to promote the sale of the product.

Q. How much was for the first part, that is, literature and circulars and letters, and so on? [20]

A. It was between five and six thousand dollars, that part of it, and the balance was for travelling expenses.

Q. The balance was for travelling expenses?

A. Yes, sir.

Q. That is, about \$15,000 was for your travelling around the country promoting the sale of your product.

A. That's correct.

Q. Your train fare, for example?

A. That's correct.

Q. And your gasoline bill? A. Yes, sir.

Q. That kind of thing? A. Yes, sir.

Mr. Johnston: I think that's all.

### Redirect Examination

By Mr. Westall:

Q. The cabinets you installed for the company you referred to contained your toilet seat cover marked Safe Way, did they not?

A. The toilet seat cover?

Q. Not the toilet seat cover alone marked with it, but the band on them, around your product?

A. The toilet seat covers had been delivered by the jobber as well as the dispensing cabinets, and I



(Testimony of Warren W. Dunnell.)

went out and lent my help and instructed them, telling them how to put the dispensers in. [21]

Q. You saw those fillers at the time you were there marked with your trademark Safe Way, as you have described? A. Yes.

Mr. Westall: I believe that's all.

### Recross-Examination

By Mr. Johnston:

Q. What period of time is covered by that advertising expense you mentioned?

A. From 1933 to the present time.

Mr. Johnston: That's all.

Mr. Westall: That's all.

The Court: That's all.

### DRUMMOND WILDE

called as a witness on behalf of the defendant out of order; and being first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court? A. Drummond Wilde.

Mr. Johnston: Before I proceed with this witness, your Honor, there is one matter I should have mentioned. I will wish to call Mr. Dunnell further in our affirmative defense, and I was simply questioning him with regard to one or two matters, but I wanted to get on with this witness now as quickly as possible.

The Court: Very well. [22]

(Testimony of Drummond Wilde.)

Direct Examination

By Mr. Johnston:

Q. What is your position with Safeway Stores?

A. I am a lawyer in charge of the legal department of the Oakland office, or the head office.

Q. That is the head office, is it not?

A. Yes.

Q. How long have you been with the company?

A. I have been with the company and its predecessor since February of 1931.

Q. Will you indicate very briefly to the Court the history of the company?

Mr. Westall: That is objected to. It is really covered in the depositions that were heretofore taken. Mr. Wilde testified and they produced the corporation papers and various papers and amplified it very thoroughly in the depositions now in evidence.

Mr. Johnston: If the Court please, it was my thought that the very quickest and simplest manner of getting this picture before the Court was in this fashion.

The Court: It is a very brief statement. I will overrule the objection.

The Witness: Safeway Stores, Incorporated, a Maryland Corporation, which is the defendant in this action, was organized in 1926 for the purpose of taking over two retail [23] operations, retail grocery operations. From 1926 until the end of 1942, with an exception which I will mention in a few

(Testimony of Drummond Wilde.)

moments, all operations of the Safeway organization in this country as well as those in Canada were carried on by wholly-owned subsidiaries. The operations consisted of primarily the retail grocery store business with related distribution and manufacturing facilities as well as procurement or buying facilities.

In 1941 the defendant commenced operating stores in Utah which were taken over from other of its subsidiaries at that time. In the same year the company took over the operations of two chains in the east coast and New York City area and New Jersey area.

Later in 1942 the current company, which is a Maryland company, took over the retail operations of one of the subsidiaries in Arkansas and Oklahoma. At the end of 1942 all United States retail subsidiaries and all United States wholesale and manufacturing subsidiaries with one exception were dissolved and liquidated and their operations including goodwill and trade-marks and trade names were transferred to the Maryland company, the defendant in this action, and since the end of 1942 the Maryland company has conducted all retail operations in this court, which are located in approximately twenty-three states and the District of Columbia.

In the meantime the Canadian operations which are conducted [24] through Canadian subsidiaries have been conducted, and they are still conducted by those Canadian subsidiaries.

(Testimony of Drummond Wilde.)

Q. (By Mr. Johnston): What products in general are handled by the company?

A. The retail stores handle the usual grocery items, such as canned goods, coffee and tea, tobacco and tobacco products, and candy, dried foods, dairy products, eggs, beverages, produce, meat, poultry, as well as a number of household items which are generally as follows:

Light globes, matches, paraffine wax, brooms, clothespins, floor waxes, furniture polishes, glass cleaners, insecticides, metal polishes, shoe polishes, toothpicks, brushes, mops, oyster pails, paper trays, razor blades, shopping bags, and paper products, such as drinking cups, paper bags, paper napkins, paper towels, facial tissue, toilet tissue, wax paper and sanitary napkins.

Q. What are the principal manufacturing businesses engaged in by the defendant?

A. The slaughtering of meat and packing of meat products. Wait, before I go into this, I want to be sure you don't want me to include any of the subsidiaries. My hesitation is due to trying, your Honor, those cases in which only the subsidiaries may engage in these particular operations.

Q. Yes, I want you to include the subsidiaries also.

Mr. Westall: We might object to that question on the [25] ground that the manufacturing activities are not material at all.

The Court: I would rather have some knowledge of the nature of the business of the defendant. I

(Testimony of Drummond Wilde.)

don't see how it could be harmful to you. Objection overruled.

Mr. Johnston: It is our point that our business is so complete and full that "Safeway" means this operation.

The Witness: The slaughtering of meat and packing of meat products, processing or packing of shell eggs and frozen egg products, the processing of fresh fish to frozen form, the packing of canned meal, the processing and packing of poultry, roasting and packing of coffee, and the packing of tea, and in some cases the packing of produce where we get it in the bulk and repack it in the smaller containers, the manufacture of bread and bakery products such as cake and cookies. Also, the manufacture of crackers, gelatin, desserts powders, the processing of butter, the processing and bottling of fluid milk, cream, cheese and other dairy products; the manufacture and bottling of soft drinks. The packing of canned fruits and vegetables in hermetically sealed containers; the manufacture of salad dressings, peanuts butter, and food flavorings, syrups and manufacture of candy bars.

Mr. Westall: We move to strike that answer as all totally incompetent, irrelevant and immaterial to any issue in the case. [26]

The Court: Denied.

Q. (By Mr. Johnston): Mr. Wilde, how is the word "Safeway" used in the company's business?

A. The name "Safeway" is used to a large extent alone to designate the company and particu-

(Testimony of Drummond Wilde.)

larly the retail stores which are operated by the company.

Q. Will you state what you mean when you say "alone"?

A. Just the word "Safeway" appears on store signs, the outside of the stores, and it appears in newspaper advertising. It was used in radio advertising which is sponsored by the company or its subsidiaries. It advertises those products—advertised on billboards, cards and to some extent in handbills, but to a very minor extent, and in general, through the usual forms of advertising media.

Q. Mr. Wilde, do you have with you any sample items of this type that you have mentioned that appeared in the Los Angeles publications during the 30's?

Mr. Westall: If the Court please, we have a whole bale of those newspaper advertisements in evidence at the taking of the deposition in the Patent Office, a great big envelope full of them, and it seems to me this is unnecessarily repeating and repetitious.

Mr. Johnston: If your Honor please, in response to the objection that this is repetitious, it is quite true that newspaper items were introduced in the Patent Office proceeding. [27] If Counsel will stipulate the same general type of ad we want to show was run during the earlier period which is important as showing notice of our use to this defendant which I think he denies in this case, I am perfectly agreeable to not offer any further ads.



(Testimony of Drummond Wilde.)

Mr. Westall: If the witness will state that is the fact, we can probably accept that without introducing it.

Q. (By Mr. Johnston): You have seen the sample ads that were introduced on the taking of the deposition of Mr. Selby—by the way, as a matter of fact, you conducted that examination as attorney for the company? A. Yes.

Q. Are those representative of the advertisements that appeared during the 30's?

A. Do you want me to take one of them or go through all of them?

Q. Can you state on the basis of your recollection whether that is true?

A. In general there was a variation, I believe, in the early 30's.

Q. Will you state what that was?

A. The variation was that in a number of cases the statement on the ad which on this particular ad which is Opposer's Exhibit No. 12, the signature reads "Safeway". On some of the earlier ads the signature read "Safeway Stores". *newspapers* [28] and reproduction of the ads I have with me indicate that the word "Safeway" alone was used at times in the body of the ads.

Q. What were the principal forms of advertising media used by the company?

A. In what period?

Q. During the 30's.

A. Newspaper advertising which includes daily papers as well as weekly papers, farm papers and



(Testimony of Drummond Wilde.)

magazines, "The Family Circle" magazine, which was the magazine which was distributed in our stores free of charge—and radio. We have had several radio programs in the early 30's which Safeway sponsored.

Q. Were there any of those programs released in Los Angeles?

A. The records which were furnished to me indicate they were broadcast over stations in Los Angeles as well as elsewhere.

Q. Los Angeles and San Francisco?

A. Yes.

Q. And other communities?

A. Well, not over the entire organization.

Q. Can you indicate where they were released?

A. There was one broadcast, one program that was broadcast in November, 1930, to May 15, 1931, released over Station KGO, San Francisco, KFI, Los Angeles, KTAR, Phoenix, KOMO, Seattle, KSL, Salt Lake City, KOA, Denver, KFSD, San Diego, and KGW, Portland. [29]

The Court: Counsel, there is no dispute, is there, that these Safeway Stores go by the name of Safeway and they are widely advertised?

Mr. Johnston: I understand there is a dispute as to the meaning of the word "Safeway" as meaning the defendant corporation and that is what this proof is directed to in part.

The Court: Are there any Safeway stores in Los Angeles?

A. Yes.

The Court: A number of them?

A. Yes.

(Testimony of Drummond Wilde.)

Q. (By Mr. Johnston). Approximately how many, if you know?

A. My recollection is in the neighborhood of two hundred.

Q. At the present time?

The Court: I didn't quite understand what you meant when you said there is a dispute as to the meaning of the word.

Mr. Johnston: It is one of our basic contentions in this case that the word "Safeway", your Honor, by reason of our extensive use of it has come to mean Safeway Stores, Incorporated, to the public. It has a secondary meaning. It means, first, it is a safe way—two words; then the combination of the word "Safeway" means the defendant corporation. That is our purpose.

The Court: It is identified with the business of the defendant corporation? [30]

Q. Exactly, and the cases say and the statute says and the Trademark Act says if that is the case then no one else may register the name.

The Court: Even in some other business that has no connection with the business your plant is in?

Mr. Johnston: Yes, for example, a case in point is that of Radio Corporation of America vs. Rayon Corporation of America. In that case Rayon Corporation applied to register the initials "RCA" for a RCA fabric which they were turning out, a textile material. Radio Corporation of America came in just as Safeway comes in with this case and opposed the registration on the ground that "RCA" meant

(Testimony of Drummond Wilde.)

“Radio Corporation of America.” The case was tried in the Patent Office and was appealed to the Court of Customs and Patent Appeals, the Appellate Court in this matter, and that Court held that the evidence showed that RCA by reason of the extensive use in advertising of the name over a period of years by Radio Corporation of America had come to mean to the public “Radio Corporation of America”, and for that reason the name could not be registered under the Trademark Act as “RCA Fabric” for a textile material, even though there was no similarity whatever between textiles and radios.

The Court: I can understand the opinion in that case as applying to the use of special letters, but so far as the [31] use of ordinary words is concerned, are there decisions that hold to that effect?

Mr. Johnston: Yes, your Honor, but there is no word “Safeway”. The word “Safeway” doesn’t appear in the dictionary. “Safeway” is a fanciful combination which is like RCA”.

The Court: But in this diagram which has been handed to me there are two words used, “Safe” and “Way”, and they are separate on this, what I assume from what you gentlemen say, diagram of a toilet seat cover.

Mr. Johnston: Apparently——

The Court: Isn’t that a little different than the situation where there is the use of a well-known symbol of a company such as RCA?

Mr. Johnston: I think not. That point was made

(Testimony of Drummond Wilde.)

and considered in the Patent Office and it was held that the use of those two words in combination by reason of their specified use of those words, which means us, is unfair to us and in violation of the statute when they seek to do that.

The Court: It looks to me like this entire matter is nothing more than a legal question. You have a record showing the nature of the business of the defendant and the nature of the business of the plaintiff and the nature of the trademark and what it is used for and how the defendant conducts his business. It seems to me it is purely a legal question.

Mr. Johnston: Except we [32] are trying to prove the issue which is, as I understand it, that "Safeway" means us. That is the point, and that, I take it, is a fact, and I understand Counsel does not concede that.

Mr. Westall: No, I don't concede that, and neither do I concede Counsel's application of the decisions. We will have decisions, too.

The Court: We will have to argue that.

Mr. Westall: Yes, we will have to argue that, rather than take up the time of the Court now.

The Court: I only interrupted now because it looked to me like the number of documents the witness has with him would mean that he was going into many matters that are not in dispute.

Mr. Johnston: I wanted to get the picture before the Court, the great lengths to which we have gone in our program to give that meaning to the term

(Testimony of Drummond Wilde.)

“Safeway” as applied to Safeway Stores, Incorporated.

The Court: All right. I will have to interrupt this case for a few moments to settle a matter in connection with a jury I have out in another case.

(Recess.)

The Court: You may proceed.

Q. (By Mr. Johnston): You mentioned one program that came [33] from Los Angeles.

A. Yes.

Q. And there were other programs?

A. There were other programs. Another program sponsored by Safeway, according to our records, was broadcast in 1933, commencing about February or March and going through November.

Q. What was the name of that program?

A. The title of that program was “Safeway to Happiness,” and it featured Eddie Peabody.

Q. Do you have a sample of one of those programs?

Mr. Westall: We object, incompetent, irrelevant and immaterial.

Mr. Johnston: Your Honor, I haven’t yet offered it or shown what it was—what I proposed to do.

The Court: All right.

Mr. Johnson: I ask that this be marked for identification.

(Testimony of Drummond Wilde.)

(The transcript of radio program was thereupon marked Defendant's Exhibit A for Identification.)

Q. (By Mr. Johnston): I show you, Mr. Wilde, Defendant's Exhibit A for Identification, and I ask you if that is a transcript of the Eddie Peabody program as given on Friday, November 3, 1933?

A. It is, according to the information received by me from our advertising department.

Q. According to the information you received from the advertising department and their records?

A. Yes.

Q. And these records are kept in the regular course of business?

A. It may have come from the broadcasting company records. They retain scripts of the programs.

Mr. Johnston: I will offer this exhibit in evidence as a representative and sample and type of radio program given by the company at that time.

Mr. Westall: It is objected to as incompetent, irrelevant and immaterial to any issue in the case.

The Court Is this a part of the record, or is this in addition thereto?

Mr. Johnston: This is in addition and I might say I have here a copy of it and your Honor will see that the word "Safeway" was used throughout the program alone and without reference to the "Stores" or the "Inc.". It was advertised and presented as Safeway's program, and that is our purpose in offering it at this time.



(Testimony of Drummond Wilde.)

The Court: All right, let it be admitted.

(The document in question, previously marked Defendant's Exhibit A For Identification, was thereupon received in evidence.)

The Court: Can't you shorten this by some general question [35] that the company conducted radio broadcasts referring to the stores as "Safeway"?

The Witness: Yes.

Q. (By Mr. Johnston): What were the principal media used?

A. Those which I named a few moments ago.

Q. Have you yourself made any observations of the use of the name "Safeway" to identify the defendant organization by members of the public not connected with the defendant organization?

A. On the course of my activities both here and outside of town I have had occasion among strangers to identify myself when I have been asked with whom I work and with whom I am connected in a business way and I generally answer the inquiries by saying, "I am with Safeway". In those cases, generally speaking, there was no further information as to the name of my employer.

Q. As far as you can tell, they understood what you meant by "Safeway"? A. Yes.

The Court: I am sorry, gentlemen, I will have to interrupt this case again. I have a jury coming in on another case on trial.

(Recess.)



The Court: You may proceed.

Mr. Johnston: As I mentioned this morning, I have a [36] witness, Mr. Knight, and may I withdraw Mr. Wilde temporarily and put Mr. Knight on?

The Court: Yes.

JOHN B. KNIGHT,

called as a witness on behalf of the defendant; and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court?           A. John B. Knight.

Direct Examination

By Mr. Johnston:

Q. Your residence, Mr. Knight?

A. 1009b North Glendale Avenue, Glendale, California.

Q. What is your business?

A. Market and consumer research.

Q. With what company are you associated?

A. Knight and Barker.

Q. Is that connected with Safeway Stores, Incorporated?           A. Not in any way, sir.

Q. How long have you been in that business?

A. Since 1938—about nine years.

Q. Will you tell the Court very briefly what kind of work you do in your business?

A. Our business is to inquire into the habits and understanding of people with regard to consumers'

(Testimony of John B. Knight.)

goods in the case of brand preference or where they purchase their merchandise in [37] the case of stores, what they think about a product, or what they think about an idea, and from and by means of a representative cross-section we bring back a report which is representative of the entire population in this study.

Q. Could you indicate the kind of clientele you have?

A. We serve the Bank of America, the Sunset Magazine, the Scripps-Howard newspapers, particularly the San Francisco News in San Francisco, the Pacific Gas and Electric Corporation, Sparkettes Bottling Company and many other corporations, large and small—primarily business houses, however.

Q. Have you been employed by Safeway?

A. We have.

Q. To perform a job? A. We have.

Q. And what was that job?

A. We were asked to perform a public opinion survey or to determine what the people understand the name "Safeway" to mean.

Q. Where? A. In Los Angeles County.

Q. When was this employment?

A. The latter part of November of 1946.

Q. Did you accept that engagement?

A. We did.

Q. Will you state generally how your survey is conducted? [38]

A. The first step of the performance of the sur-

(Testimony of John B. Knight.)

vey is the preparation of a questionnaire which will yield the information required on the particular point involved. After we have prepared the questionnaire we decided arbitrarily the number of interviews which we believe would be required, and we use as a method of arbitrary measurement a chart like this, a statistical chart published by the Fellows of Harvard University. This is a copy of that chart which tells us the number of interviews we have to make to obtain a maximum margin of error, or whatever percentage our client desires.

Mr. Johnston: I ask this chart be marked for identification.

(The chart in question was thereupon marked Defendant's Exhibit B For Identification.)

Q. (By Mr. Johnston): The chart we have just referred to for identification as Defendant's Exhibit B, is the basis on which you determine the number of questions that must be asked?

A. The number of respondents we must seek.

Q. Yes.

A. This is a 'rule of thumb' measurement. I will describe the statistical principle used in deciding the method. This is a chart telling our client how many interviews and the calls. After we have determined the number of interviews we are going to make in a given area, as Los Angeles, we [39] proportion each of the interviews with each of the marketing areas in exact proportion as the population, or each interview or marketing area as they

(Testimony of John B. Knight.)

bear, the relationship they bear to the total population. That gives us a proper distribution of our interviews.

Mr. Johnston: I ask this be marked as Defendant's Exhibit next in order for identification.

(The map of Los Angeles County was thereupon marked Defendant's Exhibit C For Identification.)

Q. (By Mr. Johnston): Now, I hand you Exhibit C For Identification and I ask you what that is.

A. This is a map of Los Angeles County which is identical with the market area map published by the Regional Area Planning Commission of Los Angeles.

Q. That is the map that is the basis of the survey you are about to describe? A. Correct.

Q. Will you proceed?

A. After the questionnaire is prepared and the map and the distribution of the interviews is determined on, we call in our interviewers, some of whom we have employed on a full-time basis and others we draw from a common pool used by other people in the same business as us and we carefully train them on the use of the questionnaire they are to use in the field. In no case are these people given the name or [40] allowed to learn the identity of the client, for the reason that that would suggest a bias to the interviewer and give him a personal reason, perhaps, or allow him to pass that information on to a

(Testimony of John B. Knight.)

respondent who might bias his reply, so the identity of the client remains absolutely anonymous as far as the interviewer is concerned and also, of course, in the case of the respondent.

Q. Are the interviewers told the purpose of the inquiries, or which are relevant to the survey and which are not?

A. No, they are not told the purpose of the survey in any manner, shape or form. They are instructed to use an individual questionnaire for each respondent and to read from the questionnaire at every time they make an interview and not to differentiate in any manner, shape or form from the actual printed questionnaire.

Mr. Johnston: I would like to have that copy of the questionnaire marked as Defendant's Exhibit in order for identification.

(The document in question was thereupon marked Defendant's Exhibit D For Identification.)

Mr. Johnston: I would like to hand this to your Honor, if I may.

Q. You may continue, Mr. Knight.

A. When the interviewer takes the field he is assigned a given area as delineated on the map and is given written [41] instructions as to the number of interviews he is to make in that particular area.

Q. You are referring now to the map, Defendant's Exhibit C For Identification?

A. Yes, and on top of his interviews which he is

(Testimony of John B. Knight.)

to make is a control sheet that describes the nature of the interviews he is to make. In other words, we don't send them out to just interview 45 people in any given area. They are to get so many men in each area, and so many women in each area, so many men in each income group and so many men in each occupational group; and the same goes for the women there, and a certain number of women in each income group within certain age brackets.

Q. How do you decide how many men and women, and the income groups, and so on?

A. We use the information provided us by statistical authorities, like the Department of Commerce Bureau of Census, or the Regional Planning Commission of Los Angeles that tells us how many people within each group reside in a certain area as indicated on the map, your Exhibit C, and how many people within each age group and how many people within each income group, as far as the statistical information of those various sources goes.

Mr. Johnston: May I have this document marked as Defendant's Exhibit E For Identification? [42]

(The document entitled "Control Sheet" was thereupon marked Defendant's Exhibit E For Identification.)

Mr. Johnston: This control sheet, Defendant's Exhibit E For Identification, is what you have just been referring to?

A. Yes. So, contrary to some popular misconceptions, the interviewer does not take the field



(Testimony of John B. Knight.)

looking for a particular name, by name and address, but rather by description.

Q. In other words, if I understand you correctly, you have ascertained what the population is according to the latest census material of a particular area, Los Angeles, for example, and then you plot that out by sections and put those sections down by population as shown by the census?

A. That's correct.

Q. And you determine as shown by the census the number of male and female and age groups and income groups in those particular areas?

A. Census and other sources, such as the Regional Planning Commission or other reliable sources. When the interviewer has taken the field, he uses the control sheet that is Exhibit E. This is a manual means for them not only in describing the number of interviews and type of interviews they must have, but it is also the manual means for the recording of the interviews after they have made them. For example, we will circle in red or in blue 24 men indicating they have to interview 24 people and they strike out the [43] numbers until they reach 24, and then they know they have made enough interviews of those men. When the interviewers come in they fit it into our master control system so they have a cross-section.

Q. You have a cross-section from the record and on which you base——

A. Yes, and when the interviewers come in, we may be sure that the interviewers have followed our



(Testimony of John B. Knight.)

instructions. So we verify ten per cent of our interviewers by reinterviewing those people either by telephone or personal interview or by postcard in which we go back over the questionnaire in detail so we know the answer we have on the questionnaire is the same as they were giving us on the phone during the verification process. Then the questionnaires are edited to be sure that everything is in order for the tabulating process and during the course of the interviewing we maintain what is known as a stabilization chart.

Mr. Johnston: I would like to have the stabilization chart marked as Defendant's Exhibit F For Identification.

(The stabilization chart was thereupon marked Defendant's Exhibit F For Identification.)

Q. (By Mr. Johnston): Go ahead, Mr. Knight.

A. While Exhibit B gives us a "rule of thumb" method of the sufficiency of the samples, the stabilization chart provides the means of determining when we have reached the point [44] beyond which no further interviews would make any material difference in the outcome of the survey.

Q. This tabilization chart which you use is Defendant's Exhibit F, is that correct?

A. That is correct.

Q. How do you determine, and could you explain a little more fully from your stabilization chart, that is, the number of interviews you have taken is

(Testimony of John B. Knight.)

a sufficient number to give you the views or the answers of the entire population?

A. We take our sample in our interviews in groups of fifty. We will take a key question and tabulate the result of the key question. We add another fifty, making a hundred, and select at random fifty, and then the results of that tabulation are put on the stabilization chart. Then the next group of interviews that come in of fifty, we mix with the first one hundred, making a total of one hundred and fifty, and select at random fifty, and plot that on the map. Then we take the next fifty and so forth, until the lines on that chart, or the responses to this particular question, levelling out for three successive increments or samples, so there is not a swing of more than one per cent. That is the "levelling out process". When we reached that point where the three successive increments don't permit a swing of more than one per cent, we reach the point where no further interviews would make any difference in the outcome of the [45] survey.

Q. Does that make the general picture, then, as to how you conduct your surveys?

A. That is the general picture of how we conduct our field operations and the mechanical means of determining when we have a sufficient sample.

Q. What questions do you use for this survey, or what questions did you use in the survey you made for Safeway, and how were they selected? Those are the questions that I believe appear on Exhibit D of which you have a copy.

(Testimony of John B. Knight.)

A. May I ask you a question?

Q. Yes.

A. Of course, there is the mechanical means of tabulating which I did not describe.

Q. Suppose you describe that first.

A. When all of the interviews have been received and we have reached the stabilization point, we punch one or more cards on the Hollerith System, but we use the Remington Rand, and these cards are run through out counter-sorter and then are run through the tabulator. It has an error factor of about 1/4000th of one per cent. When the totals have been returned from the tabulator we take those totals and compute them on our regular machines for that purpose. That completes the description. Then it becomes a matter of mechanically typing the report. [46]

Q. Will you state how you selected the questions you did which were used in the Safeway questionnaire?

A. I was called by the Safeway organization to make this survey and told the purpose of the survey and asked to assist in the preparation of the questionnaire to find out, to determine what was the public understanding of the word "Safeway" in Los Angeles County. We determined to make, just offhand, a thousand interviews. We used this questionnaire consisting of three questions.

Q. Three categories of questions, didn't you say?

A. Yes, that is correct, because each one of them has more than one part—yes, that's right.

(Testimony of John B. Knight.)

Q. When an interviewer went out with this questionnaire he presented the material as shown on this questionnaire, is that correct?

A. Each respondent was interviewed on a separate questionnaire, read the contents thereof verbatim and made his reply.

Q. A separate questionnaire, but they were all this form? A. Yes, on this form.

The Court: What was the result? How did they answer No. 5, or Subdivision 5 in No. 2?

Mr. Johnston: "Do you think Safeway Construction Company is connected with another company, or is an individual corporation?"

The Court: No. "What is the first thing you think of [47] when you see the word 'Safeway'?" What is the result of that?

A. 91.6 per cent identified it with a commercial product or brand name. Of those, 85.2 per cent said "store or grocery or market". 4.4 per cent said "food, groceries, meats". 1.6 per cent said "chain store". And .4 per cent said "shopping".

The Court: That is the crucial point in the report?

The Witness: That's correct.

The Court: In other words, the other questions are asked to give a certain amount of window dress, so to speak, so the people do not exactly know what you are actually seeking, so you would be more inclined to get more accurate responses.

The Witness: We have to train their minds, sir.

Mr. Johnston: I will offer this tabulation from

(Testimony of John B. Knight.)

which the witness just read of the result of the question, "What does the word 'Safeway' mean to you?", as our next exhibit in order.

(The tabulation in question was thereupon marked Defendant's Exhibit G For Identification.)

The Witness: As indicated by the questionnaire we gave them this little preamble and gave them a card with these named and asked them immediately what was in their mind or what their understanding was of that word. [48]

Q. (By Mr. Johnston): And you used these exhibits B, C, D, E, F and G in making this survey? A. Yes—what was G?

Q. G shows the results or tabulation you just read us. A. Yes.

Mr. Johnston: Now, if your Honor please, I offer in evidence Exhibits B through G, inclusive.

Mr. Westfall: We object to that as incompetent, irrelevant and immaterial to any issue before the Court.

The Court: I will overrule the objection. It is part of the witness' testimony as to the method by which the survey was conducted.

(Defendant's Exhibits B through G, previously marked for identification, were thereupon received in evidence.)

Mr. Johnston: There is one further matter, your Honor, which it is immaterial to us whether we go

(Testimony of John B. Knight.)

into or not. I am just indicating what we might prove, and maybe we can short-cut it. In answer to the other questions as shown on the questionnaire, I take it the results thereof are irrelevant in this case and I did not intend to offer them, but I simply wanted to show your Honor what the general picture was.

The Court: Very well.

Mr. Johnston: That's all.

### Cross-Examination

By Mr. Westall:

Q. Did you take pains to pick out those [49] whom you assumed, or whom you were told were customers of the Safeway Stores for this inquiry?

A. No, the people were interviewed at random according to the map I have furnished and the same proportion of interviews. In other words, there was no previous or predetermination of whom we were going to interview, except the interviewers were given a description of the person they must find.

Q. And this description would be just a housewife or a professional man or an engineer or a working man, or anything? That would be the general description that you gave them?

A. Yes.

Q. And when they had the interview they would show the list and ask what these words indicated in their minds?



(Testimony of John B. Knight.)

A. No, not exactly. They read the preamble and then they would show them each question and would begin showing them these cards, one right after the other and they would show the card with the word, say, "Diamond", and ask them what it meant to them, and the person would respond, and the response would be noted on the questionnaire.

Q. They would be shown, for example, a card with the word "Standard" on it and they would probably say "Standard Oil Company"?

A. Some did; some didn't.

Q. And they would be shown a card with the word "Thrifty" on it and some would probably say "Thrifty Stores"? [50]

A. Some did.

Q. That was the idea of the whole thing?

A. Yes.

Mr. Westall: That's all.

### Redirect Examination

By Mr. Johnston:

Q. Do you have the percentages with respect to "Standard" and "Thrifty" and the others there?

A. Yes.

Mr. Westall: I think this is incompetent, irrelevant and immaterial.

Mr. Johnston: It is proper redirect examination and indicates the results with respect to "Standard Oil Company" as compared to "Safeway" and "Thrifty Stores," a well-known chain store in Los-



(Testimony of John B. Knight.)

Angeles, and gives a better picture of how this worked out.

The Court: You may answer the question. I take it from the fact that Counsel asked the question, it is going to appear that more people identified "Safeway" with Safeway Stores than "Standard" with Standard Oil.

The Witness: Are you asking me a question, sir?

The Court: Yes.

A. That is true; 66 per cent of the people identified "Standard" with the Standard Oil Company.

The Court: Standard Oil Company might not be happy to hear that. [51]

The Witness: They might be a possible client for me.

Q. (By Mr. Johnston): Will you give the full answer?

A. I will start with "Diamond": 85 per cent of the people expressed "Diamond" as jewelry of some sort; 9.6 per cent suggested a commercial product or brand name like "Diamond T Company", or "Diamond Match Company"; 3.9 suggested names of places or objects.

In the case of "Standard", 66 per cent suggested commercial product or brand name, like oil company gasoline brands, service stations; 14.3 per cent suggested abstract ideas like "Standard of Living"; 1.9 per cent suggested some tangible object like "Standard Equipment" or "Standard Dictionary".

(Testimony of John B. Knight.)

In the case of "Rose", 69 per cent suggested a flower; 7.3 per cent suggested a commercial name; 5.9 per cent suggested a person or a place, like "Rose Bowl", or "Rose Parade", and miscellaneous places; 3.9 per cent suggested a commercial product or brand name like peanut butter or liquor; 3.8 per cent said it suggested a color; 3.9 per cent suggested perfume or scent; 2.9 per cent expressed abstract ideas.

I have read "Safeway".

In the case of "Thrifty", 80.3 per cent suggested a retail outlet like drugs or drugstores, or stores or markets, or marts. Also, ice cream or cigarettes. 12.2 per cent suggested an idea of savings, like money in the bank, economical, frugal. [52]

In the case of "Security", 60.3 per cent said "Security First National Bank". 12.2 per cent said "tangible objects like gold and money in the bank, life insurance, home, job or health"; 10.6 per cent thought it suggested an abstract idea like stability or security for the future safety or old age; 2.9 per cent mentioned social security.

Have I covered them all?

In the case of "General", which was the last one, 45.7 per cent said it suggested a military general, like MacArthur or Eisenhower; 27.1 per cent suggested commercial product or brand name like "General Electric", or "General Petroleum", or "General Tires", and food products; 12.4 per cent said it suggested an abstract idea like "everything

(Testimony of John B. Knight.)

in general", ideas like "general nuisance", and "general opinion", and "general average", or "ordinary"; 3.8 per cent said it suggested an object or place like "General Delivery", or "general store, merchandise", and miscellaneous places and objects. Then, there was 10 per cent for "miscellaneous" there.

The Court: These other names were not put in there for the purpose of making comparisons with Safeway, were they, or were they just for the purpose of providing other names of some kind, any kind, so that the inquiry would not be knowingly directly solely to Safeway?

A. I don't know what the legal objective was, your Honor.

The Court: What was your objective? I am trying to [53] find out whether you put these other six questions in for the purpose of seeing how they compared with Safeway, or to cover up the fact that you wanted to get an unprejudiced answer to the inquiry as to Safeway?

A. They were put in for both reasons; primarily, to hide the identity of Safeway so there wouldn't be any prejudice, and, secondly, to see if there was a measure of comparison which would show.

Q. Of course, there are just myriads of names you can use for purposes of comparison?

A. That's right.

Q. And you might have used many other names that might have been associated in the public mind

(Testimony of John B. Knight.)

stronger association with an organization than "Safeway"?      A. That's right.

Q. So the main point was to get an unprejudiced answer?      A. That's right.

Q. (By Mr. Johnston): In your opinion, what do these figures mean with respect to the population of the County of Los Angeles?

A. The latest estimate for the population of Los Angeles County is 3,700,000. This is the estimate of the Regional Planning Commission of Los Angeles; so this would be 90 per cent of the 3,700,000, or about 3,300,000, using round figures. [54]

Q. It is your conclusion that in Los Angeles County the name "Safeway" means to that number of people, some three million people or more, Safeway Stores, Incorporated?      A. Yes, sir.

Mr. Johnston: That's all.

The Court: Is there anything else?

Mr. Westall: That's all.

Mr. Johnston: I will ask to have these introduced as a summary of the witness' testimony.

The Court: Very well.

Mr. Johnston: Could these others be marked and introduced?

(The computations of the witness Knight were thereupon received in evidence and marked Defendant's Exhibit H.)

## DRUMMOND WILDE

recalled as a witness on behalf of the defendants; and having been previously sworn, testified as follows:

Direct Examination  
(Resumed)

By Mr. Johnston:

Q. What, Mr. Wilde, is the basic policy of the defendant, Safeway Stores, Incorporated, with respect to the conduct of its business?

Mr. Westall: I object to that. It is broad, general and indefinite.

The Court: It is a pretty general question. I imagine [55] anyone with any degree of loyalty for the concern might have a very long and elaborate answer, but it might not be very helpful to me.

Mr. Johnston: What I am directing my question to, your Honor, is what is the published policy of the company which I am going to ask the witness to give your Honor with respect to the conduct of its operations. In other words, what are its instructions to its staff, to its employees and others in the basic over-all conduct of its merchandising business.

Mr. Westall: We object to that.

The Court: What is the relevancy of that?

Mr. Johnston: The relevancy is that an organization of this size, with thousands of employees, issues directives to its employees as to what the policy of the company is, and that must of necessity have an effect on their conduct and is evidence of the practice and policy of the company which has been

(Testimony of Drummond Wilde.)

pursued in building up the reputation which the company has.

The Court: Is there any dispute about the fact that the Safeway Stores, Incorporated have a good standing in the community as a selling enterprise?

Mr. Westall: I think they are well known. I don't think there is anything in the evidence to show they are any higher grade than other grocery stores. I think most of them have [56] to have a pretty good reputation for their customers, for fairness, or they wouldn't stay in business.

Mr. Johnston: I am simply making this showing in this equitable proceeding on this material matter.

Mr. Westall: I could ask the same question with respect to Mr. Dunnell's business and he would state the same policy in dealing with his customers.

Mr. Johnston: I am talking about, your Honor, a published directive given to these thousands of employees which is quite different than a New Year's or other resolution made by an individual.

Mr. Westall: I don't think so.

The Court: I don't know whether I would want to agree as to that. I suppose the little fellow has just as much right to assert he has a good reputation as a big organization. I don't see how that is going to help me decide the question of law as to whether or not this decision in the Patent Office was not recognized.

Mr. Johnston: A lot of my evidence is directed in this case to show what the word "Safeway" has come to mean as the result of our efforts. We have



(Testimony of Drummond Wilde.)

introduced evidence intending to show what this organization and its name means to the public. I think it is also relevant to show how that organization conducts itself, and what kind of an organization it is. [57]

The Court: Would not a stipulation cover that, a stipulation from your opponent to the effect that this is a well-regarded and well-operated large chain store business? Wouldn't that cover what you have in mind?

Mr. Johnston: In part, yes, and also it operates with respect to the public on the basic policy of reducing the cost of food to the consumer while yet maintaining the highest quality.

The Court: It is a well-regarded and well-known chain store enterprise which offers good values to the public. Would there be any dispute as to that?

Mr. Westall: There would not be if we just limit it to that. That also applies to Mr. Dunnell, also, who puts out a wonderful product and whose use of the word "Safe Way" has made the word of value and benefit because he distributes——

Mr. Johnston: That is another question.

The Court: We are getting into another question. What I am trying to do is to see if we can save some time on which is perhaps an obvious matter. I do not understand, Counsel, that there is any dispute with regard to the fact that your client has a good standing and reputation in his business as such.

Mr. Westall: Yes.



(Testimony of Drummond Wilde.)

The Court: Counsel is asking you to stipulate that the Safeway Stores, Incorporated are well regarded, well operated [58] chain store organization which offers good values to the buying public.

Mr. Westall: I think that is perfectly accurate, if you will add the same thing with regard to Mr. Dunnell.

The Court: Of course, your client, however, does not run a chain store.

Mr. Westall: I know, but as to his business, if we stipulate to that, we should stipulate Mr. Dunnell has a good policy of running his business. He sells goods at as low a price as possible.

Mr. Johnston: I am sorry, I am not in a position to make that stipulation as to Mr. Dunnell. There will be evidence introduced subsequently in the trial concerning Mr. Dunnell's reputation by going directly to this issue. We feel his use of the name will definitely damage the high standards which as a result of our practices and policies we have acquired.

Mr. Westall: There is no evidence like that in the record so far.

The Court: I suppose I had better hear all of the evidence. Could you have your witness make a general statement without reading a lot of things as to pronouncements that executives made to the employees? Can't he state how the business is conducted, how in general the business of Safeway Stores, Incorporated is conducted so far as its [59]

(Testimony of Drummond Wilde.)

general operations and treatment of the public are concerned.

The Witness: As to pricing policy, it is our policy to pass on to the consumer the benefit of savings that may result from the way in which we do business and still yield to us a reasonable profit. That is the basic principle as far as pricing is concerned.

As far as the merchandising policy is concerned, we guarantee unconditionally that all merchandise sold and distributed by our stores, regardless of whether we manufacture, or whether it is manufactured by an outside concern, will satisfy the customer. The customer is entitled to have his money refunded if he is dissatisfied with the merchandise. In some cases we do not require merchandise to be returned or the unused portion, in some cases. That will all depend on the circumstances.

Mr. Westall: As a matter of fact, the witness does not know these individual circumstances except by hearsay. So therefore, we object to most of this testimony and move it be stricken as hearsay, namely, that which he heard from others and what he assumed the employees did or would do.

Mr. Johnston: He can testify as to the directives that were issued so far as he knows, with respect to the practices followed.

The Court: Have you another witness besides this one?

Mr. Johnston: I do have other witnesses, yes.

The Court: What are they going into?

(Testimony of Drummond Wilde.)

Mr. Johnston: I have testimony with respect to the company's operations in Los Angeles at the time the plaintiff first commenced the use of the product in Los Angeles. I understand his testimony and his allegations are to the effect that he had no knowledge of Safeway at that time, or little knowledge, and I expect to show, or I expect to disprove that statement. I will introduce evidence showing very briefly the volume of the company's business, Safeway's business, as further evidence of the secondary meaning which should be attached to it, and also I will introduce evidence with respect to the number of customers it has and people who must know the name "Safeway" through it.

The Court: The reason why I ask you this and why I am endeavoring to shorten this case is that I have other cases that are waiting for trial. I am not trying to prejudge this case, but it is difficult for me to see how a great organization like this company can be so concerned about a little piece of paper used on a toilet seat and how it affects this enterprise. Surely if I went into a washroom in a hotel to take care of my wants in a toilet I am not concerned whether a piece of paper has the word "Safeway" on it, nor would I identify it with any such institution as the Safeway Stores, Incorporated. It seems to me to be kind of a tempest in a teapot, and that is why I cannot understand [61] why there should be any great objection to the plaintiff using a simple term like this in connection with this piece of paper that is used in a toilet. If it is

(Testimony of Drummond Wilde.)

of such vital concern as that to take up the time of the Court to hear testimony, I suppose I am duty bound to hear it, but I have some doubts as to whether or not it can be of such grave importance. Of course, everyone's rights are important, but this doesn't seem to have much significance.

Mr. Westall: We have Mr. Dunnell's deposition and he testified what Safeway stores he knew of at the time and he is just repeating it.

The Court: What is the importance of this case that should take up so much time in a Federal court?

Mr. Johnston: The defendant spends each year millions of dollars building up the name and meaning of the name "Safeway" which we think is in the public mind. This is, as I say, a small use, and it is hard to see how this use has damaged us in this volume of business. However, this is simply a beginning. Now, there were a number of trademark registrations of the name "Safeway" handed to your Honor this morning by Mr. Westall and they show over a period of years that use of the name "Safeway" by others is increasing. We haven't any desire to discourage these people from their business, but I don't see why they have to use the name to which we have given such a value and in which we have made [62] such a tremendous investment. It seems to us that will damage us and the public and it will not hurt them at all to be prevented from using that name which we have taken and built up by the special combination of words, "Safeway Stores, Incorporated".

(Testimony of Drummond Wilde.)

The Court: In a general merchandising business, I can understand that, but what is the relationship to this type of thing that has nothing to do with merchandising at all?

Mr. Johnston: It is just as Judge Learned Hand stated in the famous Yale Lock case. That was a case where some people put out flashlight batteries under the name "Yale" and Judge Hand discussed that very question and said, of course, much more eloquently than I can, that a man's name is like his face. It becomes his indicia, and his reputation is built up or broken up in that manner. If others are permitted to use that name he loses control of that reputation for good or for bad and that should not be permitted.

The Court: I fully appreciate that, Counsel. In the few years I have been on the bench I have had quite a few copyright and patent cases, and I have read many of these decisions, but it is only within the general field of business activity that concerns the party who wishes to protect his name that we have these rules you speak of. For example, if I were to devise a formula describing it—to pick on the most most insignificant thing I can think of—describing it as [63] the "Safe way to use scissors to cut toenails," I could use that word, but how would it be in the field in which there would be any damage to the goodwill that has been put into the use of the name in a certain field of human endeavor? I don't think that Judge Learned Hand or any of the judges who have written in the patent



(Testimony of Drummond Wilde.)

or copyright field have indicated that the coverage extends beyond a reasonable limitation of business activity. It is not intended to cover everything that everybody might do in using the word "Safe-way".

Mr. Johnston: Well, it goes pretty far and I think the cases do, too. Surely it must be conceded that there is a closer connection between these toilet seat covers and our toilet tissue than there is between texture fabric and radio appliances.

The Court: No, it is in the general merchandising field there. The public might well think that the RCA was the fabric that you have mentioned, but certainly because of the field of activity of the RCA——

Mr. Johnston: If I may interrupt, your Honor, I am not sure that your Honor has clear the use of the name. Counsel showed you the tab of paper. Actually that is not the important use. The important use is on every cabinet through which these articles are dispensed whereon is written the word "Safe Way", which is placed in the public toilet stall, [64] and that will appear from the evidence now just as a baby business. It is going to increase tremendously, for example, as the paper towel business increased. In this manner the name "Safe Way" will be brought to the attention of the American public who know our name. In other words, this may become a very great usage of the name.

The Court: But the people that go into lavatories are not misled. They are not buying anything.

(Testimony of Drummond Wilde.)

They are not buying something the Safeway Stores put out. This is not a piece of merchandise. It is a sanitary service rendered just the same as they might quirt some liquid in there out of a can that is marked "Safe Way". The people that go in there are not misled. They are not buying a commodity that they think is being offered for sale in there.

Mr. Johnston: If they find it unsatisfactory that will be part of their association with the name "Safeway". If they know the manufacturer and don't like that, that will be part of their association with the name "Safeway". Multiply that many times and that must have a damaging effect in our relations with people who don't know whether or not we are connected with that manufacture. As I have pointed out and the evidence shows, Safeway Stores, Incorporated manufacture many lines and we deal extensively in paper products. It would be very reasonable to assume a connection or sponsorship of this product by Safeway when these toilet seat covers [65] are used.

The Court: I tell you these things so you can be prepared here to meet them instead of me sitting here stony-faced. It appeared to me that the case was rather insignificant. I don't mean insignificant in the sense of rights, because everyone's rights are important, but I mean whether the case had enough substance to warrant it being in the Federal court taking up a lot of time. Insofar as your client is



(Testimony of Drummond Wilde.)

concerned it is important to the plaintiff, relatively much more important.

Mr. Johnston: We are simply trying to keep the plaintiff from using what we think is our name, but we are not at all attempting to keep him from continuing to manufacture his product.

The Court: Very well, gentlemen. We will take a recess now in this case until tomorrow morning at ten o'clock.

(Thereupon an adjournment was taken until tomorrow morning, March 13, 1947, at 10:00 o'clock a.m.) [66]

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Thursday, March 13, 1947, 10:00 o'Clock A.M.

The Clerk: Dunnell vs. Safeway.

Mr. Westall: Ready.

Mr. Johnston: Ready.

The Court: You may proceed.

Mr. Westall: If the Court please, I would like to make just a brief statement of how I think we might possibly shorten this trial. The testimony that was taken yesterday on the part of the defendant is purely corroboratory to evidence that is thoroughly developed in the depositions which were taken dealing with the use of the word "Safeway" and in newspapers and so on. Advertisements were produced and the matter was most thoroughly gone into.

The Court, of course, has power to limit the amount of evidence on such a, I might say, subsidiary issue. Otherwise the defendant might filibuster. The Court's time is valuable, and while I say filibuster, I will justify that in a moment. I made an uncontroverted statement of facts on which I could base my argument in this case and referred to very little of these things here, but not, however, overlooking them. I am very anxious to make an argument and show our reasons, and while the Court understood those facts and while the Court correctly stated that it is merely a simply application of the law to those facts; yet it may not be so simple [67] as the Court would think for the moment. The explanation of the law is very simple, and yet the fact is that the Commissioner of Patents as well as opposing counsel absolutely ignored the arguments we rely upon.

The Court: Then you are really arguing the matter now?

Mr. Westall: I am merely laying a foundation for this. I am very anxious to present the brief argument at the end of the case.

The Court: Last evening I was merely attempting to indicate the questions that arise in my mind in the case and I will rely on Counsel not to unduly take up the time of the Court in presenting cumulative matters. I think we can dispose of the evidence in the case rather briefly, but I don't want to deprive any lawyer of the right to make his record.

Suppose we proceed.

Mr. Johnston: Thank you, your Honor, and I will do my very best to hasten along with the evidence.

DRUMMOND WILDE

recalled as a witness on behalf of the defendant; and having been previously sworn, testified as follows:

Direct Examination  
(Resumed)

By Mr. Johnston:

Q. Mr. Wilde, as head of the legal department, are you in charge of the company's affairs with respect to opposition of attempted registrations of the name "Safeway"? [68]           A. Yes, I am.

Q. Will you state briefly to the Court the facts with respect to other applications for the name "Safeway" and the company's position with respect to them?

Mr. Westall: We object to that as entirely incompetent, irrelevant and immaterial.

Mr. Johnston: I think in view of your Honor questioning whether this case is of such importance that the time of the Court should be taken up with it, that I should show to your Honor——

The Court: I will overrule the objection.

Mr. Johnston: Very well.

Q. Will you please proceed and answer the question, Mr. Wilde?

A. About the year 1938 or thereabouts we became aware of the problem with which we were faced as the result of the use of the name "Safeway", or

(Testimony of Drummond Wilde.)

confusingly similar variations thereof by others in their lines of business and related lines of business such as drug stores as well as other lines of business. It was in 1939 that we caused our first opposition proceeding to be brought regarding the name "Safeway". That was an application brought by a gentleman in New York to register the brand "Safeway 1450", the numbers "1450" following "Safeway" as a trademark for use on sanitary napkins. We opposed that application successfully. Following [69] that we had another proceeding regarding the attempt to register the name "Safeway" for use on gasoline, motor oils and greases by a concern in Evansville, Indiana. That opposition proceeding was not successful and the registration of the trademark was allowed following the final outcome of those proceedings.

Another case we had was the use of the name "Safeway" for a cleaning fluid. We lost that in an opposition proceeding.

Following that we had a case involving the use of the name "Safeway" and its registration for use on ophthalmic lenses or eyeglasses. We succeeded in that opposition after a trial on the merits before the Examiner of Interference. At about the same time in 1944 we had another opposition proceeding involving an application by a concern in Kokomo, Indiana, for the registration of the name "Save-Way" for poultry-house equipment. That opposition proceeding ended successfully for us. As I remember, those were all of the opposition pro-

(Testimony of Drummond Wilde.)

ceedings in which we have been involved in connection with the attempted registration of the name "Safeway". This case is just one part of a pattern, your Honor. We have been faced with a very serious problem throughout the country in which other concerns and individuals have started to use the name "Safeway" or variations. In some cases they have attempted to simulate the color effects on [70] their stores, used on their stores or store signs for the purpose of apparently trading upon our goodwill. We have a number of cases in which we are proceeding. In some of these we have already proceeded to litigation. This is just one of these cases in which Mr. Dunnell was the original moving party. He attempted to have the name registered as a trademark for use on paper toilet seat covers. Naturally our reaction was to oppose that registration. As the record will show, our opposition was successful before the Patent Office. Mr. Dunnell has brought this action to attempt to upset the decision of the Patent Office. We felt the natural thing to do would be to oppose that action and also attempt to enjoin Mr. Dunnell from the continued use of the name on his particular product. In other words, this is just one of many situations with which we are faced and which others are biting off piece by piece, or attempting to bite off piece by piece the rights and substantial investment which we have built up with regard to the use of the name "Safeway" to identify our stores and our business. We have spent over \$4,000,000 a year in advertising,

(Testimony of Drummond Wilde.)

most of which, or a large part of which is devoted to advertising in which the name "Safeway" alone appears.

Mr. Westall: We move to strike the answer as not the best evidence. Rather than making a recitation of what happened in these prior registrations, the proper way to prove [71] it would be by certified copies of the official records and then we could find out if they were at all pertinent and how they differed from the case at issue.

The Court: It is somewhat argumentive, but I will allow the answer. The motion to strike is denied.

Mr. Westall: The latter part of the answer regarding Safeway and how he felt about this suit against Mr. Dunnell we move to strike.

The Court: I think the answer is argumentative and irrelevant, but it is in line with the plan of presentation of the defense and at least it presents the point of view of the defendant.

Q. (By Mr. Johnston): Mr. Wilde, is the stock of Safeway Stores, Incorporated listed on any stock exchanges?

A. It is listed on the New York Stock Exchange, the San Francisco Stock Exchange and the Los Angeles Stock Exchange.

Q. Can you say how the stock is commonly referred to—by what name?

Mr. Westall: We object to the question as totally irrelevant.

The Court: Objection overruled.



(Testimony of Drummond Wilde.)

The Witness: "Safeway".

Q. (By Mr. Johnston): What number of shares are outstanding, approximately?

Mr. Westall: The same objection is made to all these [72] questions as to the stock and amount of stock.

The Court: Objection overruled.

The Witness: 2,585,952—all common, and 22,321 shares of preferred.

Q. (By Mr. Johnston): Approximately how many stockholders does the company have?

A. As of June 18, 1946, which was the last date on which we made a count, we had 14,612 common stockholders and 5,115 preferred stockholders.

Q. Does the company distribute to the stockholders and other interested persons an annual report?      A. Yes.

Q. Do you have those annual reports with you?

A. Yes.

Q. You have produced at my request annual reports for the years 1926, 1928, 1930, 1932, 1934, 1940 and 1945?      A. Yes.

Mr. Johnston: I would like to have these marked as our next exhibit in order, if the Court please.

(The reports in question were thereupon marked Defendant's Exhibit I for Identification.)

Q. (By Mr. Johnston): These annual reports contain a statement of the company's affairs to the stockholders each year, is that correct?

A. Yes. [73]



(Testimony of Drummond Wilde.)

Q. And these annual reports make common use of the word "Safeway" alone: Is that also correct?

A. In some cases the name "Safeway" appears also in the balance sheet and profit and loss sheet.

Mr. Johnston: I will offer these in evidence.

Mr. Westall: We object, if your Honor please.

The Court: I will sustain the objection. I cannot see that I should be required to read all of the annual reports of this company to see whether or not there is a trademark infringement.

Mr. Johnston: It seems to me that the distribution of these reports is so large, and shows the use of the name "Safeway", which tends further to show the meaning of the term.

The Court: The statement of the witness would be sufficient that in the annual report to the stockholders the use of the word "Safeway" is used without the reports themselves being admitted in evidence.

Mr. Johnston: I think they are also admissible to show the size of the company's operations and its business.

The Court: The witness has testified to that. I don't think the record should be encumbered with the annual statements of the defendant. The witness can state the general extent of the business of the corporation. If I should decide in your favor and your opponent wanted to appeal it [74] would be an inordinate burden to prepare all these exhibits and this record.

(Testimony of Drummond Wilde.)

Mr. Johnston: They are cumulative, but they certainly help in giving the full picture.

The Court: How much business do they do in a year, ordinarily? What is the volume of the business?

A. The sales were over six hundred million.

The Court: Did you state yesterday about how many stores there were throughout the United States? You said there were two or three hundred in Los Angeles?

A. Yes.

Q. Approximately how many stores are there throughout the United States.

A. About twenty-three hundred.

Q. (By Mr. Johnston): How are the stores located with reference to shipping centers, arterials and highways, and so forth?

Mr. Westall: That is objected to. We could go on for weeks with this.

Mr. Johnston: I am simply asking the questions having regard to the company's general practice and show the stores are located prominently where the public can see them.

The Court: I will allow the question.

The Witness: The stores are generally located in strategic positions or locations in or adjacent to shipping [75] areas or neighborhoods.

Q. How will Safeway be injured by Dunnell's registration and use of the name "Safeway"?

A. By his use of the name "Safeway" on toilet seat covers we have no control over his policies or his operations or what he may do, or how he

(Testimony of Drummond Wilde.)

may transact his business; even though his business may be transacted properly from time to time, we have no control how it may be transacted over the future. That is something we have nothing to do with, the quality of the product that he manufactures, or what satisfaction he may give his customers.

Q. Do you think it is possible the company may stock this toilet tissue in the future?

A. They would, depending upon entirely the demand for it, I think, and our facilities for handling it.

Q. I think I said "toilet tissue"—I meant "toilet seat covers"?           A. Yes.

Mr. Johnston: You may cross-examine.

Mr. Westall: No cross-examination.

### J. CLINTON EVANS

called as a witness on behalf of the defendant; and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court? [76]           A. J. Clinton Evans.

### Direct Examination

By Mr. Johnston:

Q. What is your address, Mr. Evans?

A. 1809 Wellington Street, Oakland, California.

Q. By whom are you employed?

A. Safeway Stores, Incorporated.

Q. In what capacity?

A. I am an accountant in their Bradford Accounting Division.

(Testimony of J. Clinton Evans.)

Q. What type of records are kept under your supervision?

A. We keep all types of profit and loss statements and balance sheets and all financial reports of the company in our office, as well as other statistical reports that may be sent to us for examination and accumulation for information for the companies in general.

Q. Will you state very briefly the number of stores operated in Los Angeles in 1926 when the company commenced operation?

Mr. Westall: We object on the grounds the question is incompetent, irrelevant and immaterial. The question about Los Angeles is not important.

Mr. Johnston: This will take just a few moments.

The Court: I will overrule the objection.

The Witness: There were 322 stores operating under the name of Safeway in Los Angeles in 1926.

Q. (By Mr. Johnston): Will you tell the Court the number of stores operated each year since 1926 in California? [77]

A. In the year 1927 there were 573 stores. In the year 1928 there were 751. In the year 1929 there were 1,010. In the year 1930 there were 977. In the year 1931 there were 1,499. In the year 1932 there were 1,320. In the year 1933 there were 1,288. In the year 1934 there were 1,274. In the year 1935 there were 1,312. In the year 1936 there were 1,296. In the year 1937 there were 1,225. In the year 1938 there were 1,113. In the year 1939 there were 1,015. In the year 1940 there were 893. In the year 1941

(Testimony of J. Clinton Evans.)

there were 805. In the year 1942 there were 738. In the year 1943 there were 708.

Q. I think that gives the picture. Now, Mr. Evans, will you tell the Court in what states the company stores are located?

A. The company operates in 19 western states, four eastern states, the District of Columbia, and also in Canada, in five provinces. Do you want me to list the names of the states?

Q. Yes.

A. Arkansas, Arizona, California, Colorado, District of Columbia, Idaho, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Oklahoma, Oregon, South Dakota, Texas, Utah, Virginia, Washington and Wyoming. And the five Canadian provinces are British Columbia, Alberta——

Q. That is all right. Will you tell the Court, Mr. Evans, [78] the annual retail sales of the company since 1932?

Mr. Westall: Same objection.

The Court: I will let him put this in the record. Objection overruled.

A. The Witness: The total sales for the year 1932 were \$229,173,468.67. In 1933, \$222,156,841.68. In 1934, \$242,966,383.20. In 1935, \$294,697,599.81. In 1936, \$346,178,061.20. In 1937, \$381,868,220.28. In 1938, \$368,254,991.28. In 1939, \$385,882,083.00. In 1940, \$399,322,122.15. In 1941, \$475,124,885.09. In 1942, \$611,139,476.85. In 1943, \$588,833,620.10. In 1944, \$656,571,505.26. In 1945, \$664,771,549.03.

(Testimony of J. Clinton Evans.)

Q. Now, I ask you, Mr. Evans, this exhibit which has just been marked by the Clerk Defendant's Exhibit J. for Identification, entitled, "Dollar Volume Los Angeles Division, Toilet Paper Sales," and I ask you if that was prepared under your supervision, or from records kept under your supervision?      A. Yes.

(The document in question was thereupon marked Defendant's Exhibit J for Identification.)

Q. (By Mr. Johnston): Does that correctly show the Dollar volume sales during the years 1934 to 1946 in the Los Angeles Division, for toilet paper?      A. It does.

Mr. Johnston: I offer this in evidence as Defendant's [79] Exhibit J. This shows a range of toilet paper sales of from \$73,651 in 1934 to \$389,642 in 1946.

The Court: That is in Los Angeles County?

Mr. Johnston: Los Angeles County alone, yes.

The Witness: No, Los Angeles Division.

Mr. Johnston: The Los Angeles Division includes, roughly, what territory?

A. It would include Los Angeles County, Kern County, Riverside County, Orange County, and a couple of other small counties down there that have a very small population.

Mr. Westall: We object to the admission of the exhibit into evidence as incompetent, irrelevant and immaterial to any issue in the case.



(Testimony of J. Clinton Evans.)

The Court: It may be admitted. I will overrule the objection.

Q. (By Mr. Johnston): Can you give the company's overall toilet paper sales throughout the country within the last two or three years, since 1942?

A. I believe I am unable to present that to the Court.

Q. What have been the company's advertising expenditures in each of the years since 1932?

Mr. Westall: That is objected to as totally immaterial. They have advertised peas and pins and everything else that hasn't anything to do with the case, but never toilet seat covers. [80]

The Court: Counsel's objection may go to the point that the advertising expenditures might have to do with other things than just the use of the name "Safeway". Wouldn't you have to have some breakdown on that?

Mr. Johnston: We have shown what the advertisements have consisted of.

The Court: You mean all of the advertisements having the word "Safeway" on them?

Mr. Johnston: Yes.

The Court: As well as the radio program?

Mr. Johnston: Yes, as well as everything, surely.

The Court: All right, but just give us the first year and the last year.

Mr. Johnston: Surely.

Q. What is the range, nationally?

A. Total advertising expense for the year 1932



(Testimony of J. Clinton Evans.)

amounted to \$2,505,166.12 and that was increased year by year until 1945, in which the company spent \$4,959,549.43.

Q. Will you tell us how much of that was spent in those two years in the Los Angeles Division?

A. The information I have was for the year 1942 in the Los Angeles Division.

Q. That will be satisfactory.

A. We spent during the year 1942 in the Los Angeles Division \$271,417.49 in newspaper advertising, handbills, spot [81] radio announcements and cuts and miscellaneous materials.

Q. Do you have a breakdown with you of those advertising figures in terms of the amount spent for newspapers, and so on?

Mr. Westall: We object to that on the ground that he is going into unnecessary matters.

The Court: Is that necessary?

Mr. Johnston: I had in mind the rest of what your Honor thought I should show.

The Court: No, the only point I had made was whether or not that advertising all mentioned the name "Safeway" or whether you should break it down. You pointed out the evidence showing all of the advertisements contained in the word "Safeway".

Mr. Johnston: Yes, I will withdraw that question. You may cross-examine.

Mr. Westall: No cross-examination.

GERALD E. BROWN

called as a witness on behalf of the defendant; and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court?      A. Gerald E. Brown. [82]

Direct Examination

By Mr. Johnston:

Q. Mr. Brown, you are employed by Safeway Stores, Incorporated?      A. That's correct.

Q. What is your address?

A. 2630-77th Avenue, Oakland.

Q. In what department are you, Mr. Brown?

A. I am in charge of the Survey Section of the Market Research Department.

Q. At my request did you make a study to determine or to estimate the number of customers that Safeway has?      A. That's correct.

Q. I show you Exhibit A for Identification, marked Exhibit 1 at the top, and consisting of several tabs and ask you if that is one of the studies which you prepared at my request?

A. That's correct.

Q. Will you please state to the Court what that study consists of and what it shows?

Mr. Westall: We object to the question again as entirely irrelevant and immaterial and cumulative to matters in the use of the word "Safeway" which has already been sufficiently shown.

Mr. Johnston: What we are trying to show is how many people must patronize the Safeway

(Testimony of Gerald E. Brown.)

Stores. The volume is tremendous as proven by the statistical studies Mr. Brown [83] has prepared and which goes to carry out the proof of one of the basic issues in this case, namely, the meaning of the word "Safeway" to the public.

Mr. Westall: The Court could very well assume or surmise the number of families which would be sufficient for their purposes, if they sell so many products—and so forth. So it is all cumulative.

The Court: I don't quite understand this. This refers to the number of families that the defendant would serve if the customers bought all of their requirements there?

Mr. Johnston: The witness will explain this, if permitted by Counsel. The point is this——

The Court: What are you trying to show by this?

Mr. Johnston: We have no actual customer counts and it is impossible to show the number of people that patronize the store. What we have tried to do by this study, namely, by taking the over all population census figure and the over all census record of food sales and comparing with the latter, to the sales of food, finding out what per cents of the total food business "Safeway" handles, and by applying that against the total population and estimating that, at least that number of people must have bought their food requirements at our stores.

The Court: What conclusions do you come to from this survey you have referred to as to the number of customers, [84] Mr. Brown?

(Testimony of Gerald E. Brown.)

The Witness: We have estimated it roughly as 18 million persons being served by food that is purchased at "Safeway."

The Court: Is that annually?

A. Yes, for the country as a whole at any one time there are that many persons that are regular customers of Safeway Stores in all of our divisions.

The Court: You mean by that, you include a person that might go in once and buy once?

A. Yes, we have estimated about thirteen and one-third millions persons are served regularly by food from "Safeway" and around eighteen million either regularly or occasionally. That is, they are familiar with "Safeway" and do buy there from time to time.

The Court: And that conclusion is reached as the result of the method you have used in this survey?

A. In this survey we have taken the census figures and estimated their figures in terms of customers who buy all of their food requirements at "Safeway".

The Court: That is contained in the four sheets?

A. The first four, and Exhibit 2—we have made surveys at various times and have asked persons living in various cities we have served, where they buy their foods regularly, and roughly sixty per cent of the persons living in the area we [85] serve show regularly at "Safeway". We apply that to the estimated population we serve, which is 22 million to arrive at a figure of 17.7 million who do shop regularly at "Safeway".

(Testimony of Gerald E. Brown.)

The Court: The reasons why you have come to the conclusions you have stated are set forth in detail and analyzed in these three exhibits?

A. Yes.

The Court: Now, do you wish to object to these, Mr. Westall?

Mr. Westall: We object to those as totally unnecessary and cumulative, and the theory of the name "Safeway" and its meaning has been proven.

The Court: For the purpose of explaining the opinion and statement of the witness in that regard I will allow these exhibits to be marked in evidence.

(The documents in question were thereupon received in evidence and marked Defendant's Exhibits K, L and M, respectively.)

Mr. Johnston: That's all, Mr. Brown.

Mr. Westall: No cross-examination.

### WILLIAM A. VOLLMER

called as a witness on behalf of the defendant; and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court?

A. William A. Vollmer.

### Direct Examination

By Mr. Johnston:

Q. What is your address, Mr. Vollmer?

A. 5221 James Avenue, Oakland.

Q. You are employed by Safeway Stores?

(Testimony of William A. Vollmer.)

A. That's right.

Q. In what capacity?

A. Manager of the Map Procurement Department of the Real Estate Division.

Q. As manager of the Map Procurement Department of the Real Estate Division you are charged with the duty of procuring maps showing the location of the company's stores throughout its organization? A. That's right.

Q. At my request have you prepared a map showing the location of the company's stores in 1932 in Los Angeles? A. That's right.

Q. And that is this map over here, is it (pointing to map on blackboard)? A. Yes, sir.

Mr. Johnston: Could I have that map marked for identification as our next exhibit?

The Court: Are you going to have the witness explain it? [87]

Mr. Johnston: Yes, your Honor.

(The map in question was thereupon marked Defendant's Exhibit N for Identification.)

Q. (By Mr. Johnston): Now, Mr. Vollmer, will you step over to the map and describe to the Court, or tell the Court, and you may use the pointer if you wish, what the various pins in the map show and explain what area is there covered by the whole map very briefly.

Mr. Westall: We object to that as entirely incompetent, irrelevant and immaterial. We remem-



(Testimony of William A. Vollmer.)

ber they have already told how many stores they have in Los Angeles. They have already stated they are in the best locations just like any good-size store will get a good location, and that is what they have done. That map and the explanation of the details cannot possibly aid the Court in determining the pertinent issues in this case.

Mr. Johnston: If your Honor please, the purpose of this map is somewhat different in the main than the previous evidence that has been introduced. Mr. Dunnell has testified, I think, in this deposition in this case that he didn't know of Safeway Stores when he adopted the name "Safeway" and we wish to show that he lived in Los Angeles at that time, that he moved around Los Angeles at that time and that he was on the road five or six hours a day and must have known of the existence of Safeway Stores and even their locations. [88]

Mr. Westall: Mr. Dunnell didn't say he had seen Safeway Stores before. He said he had, but didn't pay any attention to them because they didn't seem to have anything to do with his business, that he probably may have seen them as anyone would see, for example, the Thrifty Drug Stores or anything else. He did not deny having seen them at any place in his deposition which has been taken.

Mr. Johnston: May I take just a moment to refer to the deposition? Reading from Page 50 in the deposition of Mr. Dunnell introduced in evi-



(Testimony of William A. Vollmer.)

dence yesterday by Counsel and which was taken in the Patent Office proceeding——

Mr. Westall: You are not talking about the deposition taken in this case?

Mr. Johnston: No, I am referring to the deposition in evidence in this case which was introduced in evidence by you yesterday.

Cross-Question 157:

“Q. You had heard, however, or did know of a grocery business being conducted under the name ‘Safeway’?”

“A. Not at that particular time in 1933 when I first adopted and used that name.”

158:

“You didn’t know at that time that there was a grocery company in Los Angeles operating under the name of ‘Safeway’ or ‘Safeway Stores’?”

“A. I didn’t know that there was, no.” [89]

Now, we are simply trying to meet that evidence, your Honor.

The Court: I think you are perfectly entitled to meet evidence, but is that a relevant issue in the case?

Mr. Johnston: I think it bears on the equities of the case whether he had in adopting the name reason to know or knew it had already been appropriated by another organization.

The Court: Even though he knew that the Safeway Stores, Incorporated were operating under the

(Testimony of William A. Vollmer.)

name "Safeway", that still would not be a relevant issue on the question of trademark priority.

Mr. Westall: No, it would not be relevant at all and there is no question about the title. As I said before, that is admitted even in the Patent Office.

The Court: I am trying to find out your opponent's reason.

Mr. Johnston: I think this proceeding is fundamentally equitable and the federal Trademark Statute is applied by the Court in determining what is registerable in conformity with the law of unfair competition. I am about to show by this witness that at the end of 1932, shortly prior to the time he adopted the name we had these stores located in strategic and prominent places throughout the Los Angeles area. [90]

The Court: Can't you make a statement on that without encumbering the record with this large map and all the details of it? Can you not make a statement that is not controverted that at this time there were in Los Angeles some three hundred and twenty stores located at prominent points in the business and residential areas in the general Los Angeles area all with the word "Safeway". You don't need a map with all this detail. Is there any dispute on that?

Mr. Westall: No, there is not any dispute. They have already covered that.

Mr. Johnston: All right, your Honor. We simply wanted to meet that issue.

## WARREN W. DUNNELL

recalled as a witness on behalf of the defendant; and having been previously sworn, testified as follows:

## Direct Examination

By Mr. Johnston:

Q. You testified yesterday, I believe, Mr. Dunnell, that you engaged in various forms of advertising and you put out certain circulars, is that correct, to the trade? A. Yes.

Q. Showing you Exhibits O, P, R, S and Q, for Identification, I ask you if those are the types that are representative of the advertising material you put out? [91]

A. Yes, those represent the types that I usually distributed.

Q. And you recognize these as having been published by you?

A. Yes, I think they are all put out by me.

Q. You are sure of that, aren't you?

A. Yes, these are all put out by me, circulars that I published.

Mr. Johnston: If your Honor please, I would like to call your attention to the circumstances of these various circulars marked for identification as Exhibits showing that these products are suitable for sale in the stores. The reverse side of that one, for example, shows that the travel-aid unit is in the word, they are "packages for resale by stores, perfect and popular items if displayed for sale to the travelling public". Substantially the same

(Testimony of Warren W. Dunnell.)

statement appears on these other publications which are shown to have been issued during the period from 1939 to 1945.

The Court: What dates, did you say?

Mr. Johnston: They are not all dated, but there are the dates 1939 and 1942 on them.

I will offer these in evidence.

The Court: Very well.

(The circulars in question, previously marked as Defendant's Exhibits O, P, R, S and Q for Identification, were thereupon received in evidence.)

Q. (By Mr. Johnston): You testified, I believe, Mr. Dunnell, [92] that you first used the product Safe Way Toilet Seat Covers in October, 1933?

A. That was when I first adopted and used the name.

Q. In fact, at that time you were employed as the representative on the Pacific Coast of Morton Manufacturing Company, were you not?

A. No, I was in business for myself.

Q. Prior to that time, before you originated that product, you had a product known as "Sani-Gard".

Q. For Morton Manufacturing account?

A. I was an independent operator buying and selling on my own account.

Mr. Johnston: I ask this contract be marked for identification.

(Testimony of Warren W. Dunnell.)

(The contract in question was thereupon marked Defendant's Exhibit T for Identification.)

Q. (By Mr. Johnston): Showing you Exhibit T for Identification, I ask you if that is your signature at the end of it?

A. Yes, I believe this is my signature.

Q. That is the contract, is it not, under which you were distributing Sani-Gard covers?

A. No, we never carried out the provisions in this contract as set out in this contract. This provided that I would sell this product, the product put out by the Morton Manufacturing Company under the name "Sani-Gard" as their product, taking [93] orders for them. That arrangement was not feasible at all. It developed that it was not a satisfactory way to do that, so I never did take any orders in the name of Morton Manufacturing Company as this contract sets out.

Q. You did, however, pay the Morton Company for the use of its product, did you not?

A. No, I bought it from the Morton Company and sold it on my own account.

Q. But you made to the Morton Manufacturing Company payment for each item you sold, on the merchandise?

A. That I bought from them. Later there was a different arrangement.

Mr. Johnston: I will offer this contract in evidence.

(Testimony of Warren W. Dunnell.)

The Court: What is the relevancy of this?

Mr. Westall: It is incompetent, irrelevant and immaterial, if your Honor please.

Mr. Johnston: I am trying to show he was actually representing Morton Manufacturing Company at this time when he claims he adopted and used this name "Safe Way".

The Court: What difference does it make?

Mr. Johnston: In order to be entitled to a registration of the name "Safe Way" he must be the owner and not using it for somebody else. Actually this very same product was registered at about that time by the Morton Manufacturing Company under the Federal Trademark Act. That registration was for [94] registration of the cabinets, as I will show your Honor in a minute.

The Court: Whose registration is it?

Mr. Johnston: Morton Manufacturing Company of Chicago, who I said this man represented, and he was simply representing them and has represented them in his handling of the "Safe Way" product. Whatever claim he has is theirs and nothing else, and this entire claim of his is based on fiction.

The Court: You mean this article, this toilet seat cover, was put out by this firm in the east under a different name and then he sold it under that name, and he is now selling it under the name of "Safe Way"?

Mr. Johnston: Yes, now with a new name. The name was originated by him as their representative.



(Testimony of Warren W. Dunnell.)

The Court: What is the name of this concern?

Mr. Johnston: The Morton Manufacturing Company.

The Court: Did that appear in the proceeding in the Patent Office?

Mr. Johnston: Apparently they haven't opposed it, as far as I know. There is in evidence and I would like to call your Honor's attention to the registration of the name in favor of the Morton Manufacturing Company for these toilet seat cover dispensing cabinets.

The Court: Do you assert that you are entitled in this [95] proceeding in this matter to make a claim of what someone else is entitled to?

Mr. Johnston: I think I am entitled to show anything which prevents the name being registerable to this man. In other words, they are asking this Court to make an order on the Patent Office to register this name.

The Court: Did the Patent Office deny this application on the grounds that someone else other than the plaintiff was the one who was entitled to this?

Mr. Johnston: So far as I know, this matter was not called to their attention and their decision was based solely upon the name with which your Honor is familiar.

Mr. Westall: Mr. Dunnell adopted that name and used it. We have many letters and we still have letters in the file where Morton Manufacturing Company agreed to make the cabinet for him and

(Testimony of Warren W. Dunnell.)

congratulated him on the selection of the name and his advertising and talked about the work that was being done for them and work they were doing for him on the Safe Way covers. Then, without his knowledge, as he testified on the deposition and will testify now, they applied for and registered that for cabinets which they made for him and under his order after he adopted the name and after he asked them to hurry up with the cabinets and fill his orders, which they had no right to do.

The Court: Is the trademark claim for use on the cabinets? [96]

Mr. Westall: On the covers and not the cabinets, nets.

The Court: That was denied by the Patent Office?

Mr. Westall: Yes, he was applying for trademark on the covers only and not the cabinets and that doesn't have anything to do with the case. Naturally, not being applied for, they didn't assign that registration against him.

The Court: I would like to see the application for the trademark.

Mr. Westall: It is Exhibit 1.

Mr. Johnston: It was Exhibit B in the first exhibit.

Mr. Westall: It is Exhibit 1 here in evidence now.

The Court: Yes, it is Exhibit 1 here. This application does not have anything to do with any cabinets, Counsel.

(Testimony of Warren W. Dunnell.)

Mr. Johnston: Your Honor, may I call your attention to the cabinet included in the deposition papers? This isn't in evidence yet, but this is the way Mr. Dunnell dispenses his product. He places this cabinet with the name "Safe Way" written on it in the rest room behind the toilet.

The Court: But Counsel, irrespective of that, the only matter before this Court is the action of the Commissioner upon this patent application. This application as I read it is for the use of this trademark on toilet seat covers.

Mr. Johnston: He does not use it on the covers. This is the way he uses it——

The Court: You say it is a trademark granted to the [97] Morton Manufacturing Company for that use. Did you file an intervention proceeding to the Morton Manufacturing Company when they applied for that trademark?

Mr. Johnston: We didn't know about it at that time.

The Court: So they have an existing trademark for use on the cabinets.

Mr. Johnston: As shown by the evidence. What I am showing, or attempting to show, is that Mr. Dunnell does not own this claim that he is making that everything he did was as the representative of Morton Manufacturing Company. That is shown in part by the contract I have just offered. It is shown in part by Morton's registration and supplemented by the way he actually uses the name.

Mr. Westall: You must remember in the first

(Testimony of Warren W. Dunnell.)

place it has not anything to do with the case. In the second place the registration by Morton was without his knowledge and he had adopted the title to the name and trademark as it applied to containers.

The Court: Counsel, it isn't clear to me how you can complain if the plaintiff in this case infringed on a trademark of the Morton Manufacturing Company. What concern have you on that? All that you can complain about is whether or not this application should or should not have been granted by the Patent Office for use of this name on the seat covers. If the plaintiff uses the cabinets that have this [98] trademark on them and upon which somebody else has been granted a trademark, what is your interest in that matter?

Mr. Johnston: He has alleged in his complaint that he in effect owns this by prior adoption and use. What I am trying to show is that he didn't adopt and use it for himself, that he did so simply as the representative of another person.

Mr. Westall: That is not true and if he asked the question he will explain that fully.

The Court: On May 9, 1942, when this application was filed, you say he was acting in filing that application for someone else?

Mr. Johnston: No, he was unquestionably acting for himself, but the allegation in that application and in the complaint in this case that he adopted and used and owns the name is not true and I am

(Testimony of Warren W. Dunnell.)

trying to disprove that. I think that allegation is not warranted.

The Court: You are presenting evidence to show that the plaintiff did not adopt and did not use the trademark "Safe Way" on toilet seat covers?

Mr. Johnston: He was simply acting as the representative of another.

The Court: I think you should be permitted to show he was acting in the representative capacity for someone else when he did that. [99]

Mr. Johnston: Thank you, your Honor. I will proceed, if I may.

The Court: You had me confused, because I don't see the connection with this to the trademark.

Mr. Johnston: I shouldn't have brought that up at this time. My only point was this, that the fact that these other people have it is in further support that he was not acting for himself.

The Court: Have you anybody from that company here to testify?

Mr. Westall: He could have taken depositions if he wanted.

Mr. Johnston: I have offered this contract dated May 2, 1932, which in terms covers the period from May 2, 1932, to the same date in 1934, between the Morton Manufacturing Company and Warren W. Dunnell, covering his representation of them out here.

The Court: It may be marked in evidence.

(Testimony of Warren W. Dunnell.)

(The document which was previously marked Defendant's Exhibit T For Identification was thereupon received in evidence.)

Mr. Johnston: It is your contention you originated the name "Safe Way" October 25 or October 28, 1933, is that correct?

A. That is the first time I wrote to the Morton Manufacturing [100] Company about it, yes.

(The letter in question, dated October 26, 1933, was thereupon marked Defendant's Exhibit U For Identification.)

Q. (By Mr. Johnston): I hand you a letter dated October 26, 1933. marked for identification as Defendant's Exhibit U, and ask you if you wrote that letter and if that is your signature at the end of it.

The Court: Counsel, of course I am not sure, as I have never had a case of this kind before, but I am not sure but what a matter of evidence of this nature should not be re-referred to the Patent Office for consideration. You are raising matters that were not presented to the Patent Office at all that are entirely different issues than those on which the Patent Office decided the matter. While it is true that the plaintiff may bring this de novo action under the statute, I am wondering whether or not it would be proper for the Court to consider in this proceeding this patent phase of the matter that you are now presenting, whether it would not be barred



(Testimony of Warren W. Dunnell.)

by reason of the fact that it was not presented in the Patent Office. It is a point that I don't know whether has been considered with other points or not, or whether I have given consideration to it or not. I want to hear evidence material to the case, but I am wondering whether in proper equitable proceeding here that you can be permitted to submit a case to the Patent Office on the use [101] of this name on the so-called "name theory" and then when the further proceeding is taken whether it be by way of appeal to the Court of Custom and Patent Appeals or to the proceeding that you can introduce an entirely new issue. It does not give the others an opportunity to meet that.

Mr. Johnston: The statute specifically states that additional evidence may be taken. Now, as I think Counsel and I agreed in our statements to the Court yesterday, in part this is an appeal from the Patent Commissioner. In other words, you are asked in this proceeding to reverse his determination. However, as I have just stated, the statute permits the submission of additional evidence. So for that first reason, that the statute does permit the submission of additional testimony I think this is proper; and for the second reason that an Appellate Court will, if the record supports it, sustain a judgment by a lower court, and you are the Appellate Court in this case, and the Patent Office is in effect the lower court. If in effect the lower court, the Patent Office, acted correctly, its decision will be sustained by your Honor. So if in fact it appears from the

(Testimony of Warren W. Dunnell.)

record which is now made before this Court that he did not adopt and use it and does not own it, then it would certainly be proper to affirm the lower court, the Patent Office, even though you would disagree with its decision on the main clause.

The Court: Your argument I think is sound enough in a [102] general way, but it would seem to me offhand when you speak about additional evidence that the statute is referring to additional evidence in the same issues that were presented. I don't know how much the plaintiff was advised of this, but you might be taking the plaintiff completely by surprise and the whole theory of a man having an opportunity on each side to be able to meet the issues that are to be decided by the Court would be set at naught. Don't you think that when there is reference made to additional evidence that that means additional evidence concerning the same matters?

Mr. Westall: If the Court please, Counsel took a deposition which he filed, but he didn't offer it in evidence, of Mr. Dunnell. He had him produce everything and those things he did not have, he proved by secondary evidence. Now, in that deposition there were a number of letters and correspondence. We still have them. We have them in evidence here and even in the original evidence taken by the Patent Office, such letters were put in evidence.

(Testimony of Warren W. Dunnell.)

The Court: Let me interrupt you, Counsel. Are you prepared to meet this issue?

Mr. Westall: Oh, yes, we have already met it.

The Court: Then I see no harm going into this. Proceed, Counsel.

Q. (By Mr. Johnston): Is that your signature? A. Yes. [103]

Q. Was that letter written by you?

A. It was.

Mr. Johnston: I will offer that in evidence.

Mr. Westall: No objection.

(The document previously marked Defendant's Exhibit U For Identification, was thereupon received in evidence.)

Mr. Johnston: This is the letter written by Mr. Dunnell on October 25, 1933, just about the identical date on which he alleges he adopted and used this name.

The Court: Who is that letter written to?

Mr. Johnston: That letter is written to the Consolidated Cover Company in San Francisco.

Q. You make, in addition to "Safe Way" a product known as "Slide-Away?" A. Yes.

Q. And another one known as "Protex," is it?

A. That's right.

(Sample of cabinet and covers sold by plaintiff was marked Defendant's Exhibit V For Identification.)

Q. (By Mr. Johnston): Handing you Exhibit

(Testimony of Warren W. Dunnell.)

V For Identification, I ask you if this is an example of the cabinet and covers sold by you under the name "Safe Way." A. That's correct.

Q. And the cardboard and carton in which you packed them? A. That's correct. [104]

Q. And it is true, is it not, that the name "Safe Way" does not appear on the cover?

A. The tissue paper cover itself doesn't have it on.

Q. And this cabinet is installed in the rest rooms behind each toilet unit, is that correct?

A. Not only behind each toilet unit; sometimes it is on the door or outside of the stall, but generally speaking, it is behind each toilet unit.

Q. And the name "Sani-Gard Company" does not appear on this cabinet?

A. The usual practice of my——

Q. Will you just answer the question yes or no?

The Court: Well, that is self-evident.

Q. (By Mr. Johnston): The only name that appears to the public is the name "Safe Way," is that correct? A. That's correct.

Mr. Johnston: I will offer this in evidence.

The Court: It may be admitted.

(Thereupon Defendant's Exhibit V, having been previously marked For Identification, was received in evidence.)

Mr. Johnston: I think that is all. Your Honor, I have just one more witness.

The Court: Suppose we withdraw Mr. Dunnell at this time and you may call your other witness,

and Mr. Westall can take up, then, when Counsel has concluded with the other [105] witness.

Mr. Johnston: Very well, your Honor.

E. R. CREBBS

called as a witness on behalf of the defendant, and having been first duly sworn, testified as follows:

The Clerk: Will you state your name to the Court?

A. E. R. Crebbs.

Direct Examination

By Mr. Johnston:

Q. What is your address, Mr. Crebbs?

A. 15 Williams Avenue.

Q. San Francisco? A. San Francisco.

Q. What is your business?

A. Paper converters, toilet seat covers.

Q. What is the name of your company?

A. Consolidated Cover Company.

Q. What position do you hold in that company?

A. Vice-President and General Manager.

Q. How long have you been in the toilet paper and seat cover business? A. Since 1933.

Q. Could you state to the Court in general figures what your daily production of toilet seat covers is?

A. At the present time about one million covers a day. [106]

Q. How many days a week?

(Testimony of E. R. Crebbs.)

A. Five days week.

Q. Throughout the year?

A. Throughout the year.

Q. With the exception of the usual holidays, I suppose?      A. Yes.

Q. And each of your covers normally in being distributed to the public passes through a dispensing unit, as I understand it?

A. That's right.

Q. Similar in general to this Exhibit V?

The Court: You mean it is put out in a cabinet form?

The Witness: Yes, one cover is in a roll in a metal cabinet and another cover is in a paper dispenser.

Q. (By Mr. Johnston): Can you state approximately how many covers go through on the average dispenser per year?

A. Between eight and ten thousand covers.

Q. A year?      A. A year.

Q. How many dispensers in general do you turn out a year?

A. You mean the metal dispensers?

Q. Yes, the cabinets?

A. Well, probably twenty-five to thirty thousand.

Q. Mr. Crebbs, in your business do you produce these covers for sale in stores? [107]

A. One cover, yes.

Q. Have you done that over a period of years?

A. I should correct that. We have had a small Travel-Aid packet that goes back to when this



(Testimony of E. R. Crebbs.)

company started to about 1926, and another cover we put on about seven years ago is also handled as a resale item.

The Court: You mean that is a package of seat covers that somebody can buy and take with him, is that the point?

The Witness: Yes.

Q. (By Mr. Johnston): As I understand it, that isn't a large item, but it has been a continuous item in your business, is that correct?

A. Yes.

Q. Now, Mr. Crebbs, can you indicate to the Court the Potentialities of this seat cover business, whether the market is pretty well supplied or whether the field is just beginning?

A. It hasn't been touched.

Q. Do you know Mr. Warren Dunnell?

A. I met Mr. Dunnell, yes.

Q. As I understand it, you put out a product named "Slip-Away," or you did in the past?

A. We did at one time.

Q. After you had come out with that product, did he come out with a product under a similar name?

Mr. Westall: That is entirely irrelevant to this case. [108]

Mr. Johnston: They have introduced their reputation and business practices, and we should be in a position to meet it.

The Court: I think that is immaterial. There are controversies that may have taken place with

(Testimony of E. R. Crebbs.)

other persons, but they are not material here. I have enough to do to decide this case without trying to decide some other case.

Mr. Johnston: I am not going to introduce any evidence of any controversy. This is an unfair competition case in essence and we are entitled to show this plaintiff has been guilty of unfair competition in other cases bearing on his reputation and what damage can be done if he is allowed to register and use this name.

The Court: Then they might go into the fact that Safeway had trouble with its employees and has labor troubles and somebody does not like Safeway, and so forth. It could develop into all kinds of side issues. I don't think that is an element that has anything to do with this case. Somebody may not like your client or this gentleman may not like the plaintiff or thinks he has conducted himself in the past in an improper manner; but what has that to do with the basic question as to whether or not this trademark can be registered?

Mr. Johnston: It shows potential injury to us.

The Court: How can you be injured because the witness [109] on the stand may have a complaint against the plaintiff? On the other hand, he could come along and show that somebody has complaints against the Safeway. I am not saying they have, but I point that out to show how we could get into lots of side issues here.

Suppose you state what you want to show.

Mr. Johnston: We propose to prove and offer

(Testimony of E. R. Crebbs.)

to prove that shortly after, or at some time after the Consolidated Cover Company with which Mr. Crebbs is connected put on the market and had on the market its product known as "Slip-Away" Seat Covers. Mr. Dunnell came out with his "Slide-Away" Covers; that this cover was very similar to the "Slip-Away" Cover produced by Mr. Crebbs' concern, that when Mr. Crebbs changed——

The Court: You mean the name was similar?

Mr. Johnston: I think that speaks for itself, but it was similar in appearance also, and when Mr. Crebbs of the Consolidated Cover Company changed the structure of a portion of his product, namely, the roller on which it was fixed, a similar change was made in "Slide-Away," and when he changed the color of that roll, a similar change was made in "Slide-Away"; and when Mr. Crebbs produced a product called "Protecto" and Mr. Dunnell came out with a product known as "Protex."

The Court: Counsel, it was stated to me that the [110] plaintiff has a patent for this seat cover. Am I correct about that?

Mr. Johnston: Yes, that was stated to you.

The Court: Is there any dispute about that?

Mr. Westall: No, it is in evidence.

Mr. Johnston: I think we can concede that, your Honor. However, wholly apart from that, even if it were patented, it would not be proper or possible for Mr. Dunnell to copy Mr. Crebbs' product in various other particulars.

The Court: But he has filed an application to

(Testimony of E. R. Crebbs.)

put on toilet seat covers the name "Safe Way" and he has a patent for those seat covers. What concern is it of mine to inquire into controversies that may have existed between the plaintiff and the witness on the stand or his company in other matters? I am not deciding the reputations of the parties here, am I?

Mr. Johnston: I think your Honor has to consider the damage that may occur to us because of his business practices.

The Court: Because of some other actions on his part?

Mr. Johnston: Simply because of his business practices.

The Court: I hold that is immaterial to this case. You made your offer of proof and our discussion indicates your purpose and I hold it is incompetent, irrelevant and immaterial. [111]

Mr. Johnston: You may cross-examine.

The Court: Are there any questions you wish to ask?

Mr. Westall: Just one or two questions.

#### Cross-Examination

By Mr. Westall:

Q. You have been a competitor of Mr. Dunnell, haven't you, for a good many years?

A. I couldn't hear you.

Q. You have been a competitor of Mr. Dunnell for several years, haven't you? A. Yes.

Q. How many years?

A. We went in in 1933 and I think Mr. Dunnell

(Testimony of E. R. Crebbs.)

was in in 1932. Our cover has been made since 1926.

Q. Could you say what your annual sales of toilet seat covers were in the year 1946?

A. Is that necessary that I give our sales information?

Q. You already told how many you make.

Mr. Johnston: It is simply for the purpose of showing the relevant size of Mr. Dunnell in the business and it doesn't seem necessary to go into figures.

The Court: You are making the same error that I held to be the situation in the case of your opponent. I don't want to hear about any controversies between the plaintiff and this company.

Mr. Westall: I was only cross-examining on his own [112] testimony that he has already made as to his amount of covers made and I want to check that by a few additional questions, is all.

The Court: Can you give us the volume of sales without dollars? Is that a matter you feel free to disclose?

Mr. Johnston: That is, the number of covers, your Honor means?

The Court: How many do you sell? How do your sales in normal compare with production?

The Witness: Very good; roughly, twenty-four to twenty-five million a month. That runs quite regularly straight through each month.

The Court: In volume of sales?

Q. (By Mr. Westall): Are you still answering the same question as to 1940?

(Testimony of E. R. Crebbs.)

A. I couldn't answer that without looking at my records. I would say offhand it was practically the same as 1946, but I would have to check that.

Q. Have you stated the number of covers that you sell approximately a year—in 1946, say.

The Court: He said twenty-five million.

Q. (By Mr. Westall): That represents how many tons of tissue paper made into toilet seat covers?

Mr. Johnston: If I am not mistaken, the evidence was a month and not a year, just to make this correct. [113]

Q. (By Mr. Westall): Was it twenty-five million a month you make?

A. Twenty-five million a month, correct.

Q. How many tons of tissue paper does that number of seat covers represent?

A. Is that necessary to go into the paper end?

The Court: What is the materiality of this?

Mr. Westall: I want to check whether these figures are correct as to so many tons of tissue paper.

The Court: What difference does it make? I don't care whether this man makes twenty-five million or five million. That isn't an issue in this case.

Mr. Westall: I think that is all, your Honor.

Mr. Johnston: No further questions.

The Court: We will recess this case until two o'clock this afternoon, gentlemen.

(Thereupon a recess was taken until two o'clock p.m.) [114]



Afternoon Session, Thursday, March 13, 1947

2:00 P.M.

WARREN W. DUNNELL

recalled as a witness on behalf of the defendant;  
previously sworn:

Cross-Examination

By Mr. Westall:

Q. What were your business relations with Morton Manufacturing Company at the time of your adoption and first use of the trademark "Safe Way" as applied to toilet seat covers?

A. I had an arrangement with the Morton Manufacturing company whereby I sold a paper toilet seat cover that they manufactured as well as dispensing cabinets. That was in the nature of an arrangement whereby they gave me the exclusive sales representation in the State of California. The agreement was that they would sell to no one else in that territory.

Q. You were not acting as their agent in taking orders in their name?

A. No, although the contract that was put in evidence says something to that effect, that arrangement was never carried out. In other words, the manner in which they proposed that I carry on that business was not satisfactory in this particular territory. So we never carried it out in that way, and we did carry on business on the basis that I as an [115] independent contractor buying mer-

(Testimony of Warren W. Dunnell.)

chandise from them, paying for it and reselling it at prices which I established.

Q. Did the Morton Manufacturing Company at any time suggest to you the adoption and use of the trademark "Safe Way" as applied to toilet seat covers?      A. No, they never did.

Q. Will you explain, please, briefly the circumstances of your adoption and first use of the trade mark "Safe Way" as so applied with relation to the Morton Manufacturing Company?

A. Along in the latter part of 1933 the Morton Company had a toilet seat cover which they were proposing to put on the market under the trade name of "Kleen-Seat." They sent me samples of that particular product, both as to respective paper covers and dispensing cabinets, and from my experience in the seat cover business up to that time and my experience with the "Sani-Gard" cover which I had started to first sell. I could readily see that this cover which they were going to attempt to market under this trade name "Kleen-Seat" was not satisfactory, both with respect to the paper toilet seat cover or with respect to the dispensing cabinet; and also with respect to the trade name that they had decided to use. So I wrote to them to that effect saying that I did not feel that the cover that they had designed was satisfactory. I don't feel that the dispensing cabinet that they had [116] submitted as a sample was satisfactory and I was not at all satisfied with the trade name "Kleen-Seat"—

Mr. Johnston: Excuse me, your Honor, I don't

(Testimony of Warren W. Dunnell.)

want to slow up this thing, but if the witness can refer to written documents that would be the best evidence.

The Court: Yes, if you are intending to put the letter in, you may do that as that is the best evidence, but if you are going to have the witness give an account of his relations with this company, it shouldn't consist of what he thought unless the documents are offered. So I will strike that part of the testimony as to what he thought.

Mr. Westall: Yes, your Honor.

Q. Let me ask you this: Did you have a carbon copy of the original letter you wrote to them at that time that you last referred to?

A. Yes, I believe I have.

Q. Where is it?

A. I believe it is in evidence.

The Court: If it is in evidence you can refer to it and that will save time.

Mr. Johnston: If it is in evidence it speaks for itself.

Mr. Westall: Yes, but we want to know what it is.

The Court: Is this the letter you are referring to, that your Counsel has just handed you?

The Witness: That is correct, yes, sir. [117]

The Court: Let me see the letter.

Mr. Westall: There are only certain parts of it that are pertinent.

The Court: Go on with your examination. I think the question was that he was requested to

(Testimony of Warren W. Dunnell.)

state the circumstances under which he adopted the name "Safe Way."

Mr. Westall: Yes.

The Court: Had you completed your answer?

The Witness: No, I had not completed my answer.

The Court: Go ahead and complete your answer, then.

The Witness: So, as a result of my objections I sent proposals in my correspondence that I much preferred to use another trade name. I preferred to redesign the type of cover and dispensing cabinet and as a result of that I sent them orders for a new type of dispensing cabinet which I called—asked them to label with the trade name "Safe Way." I also suggested a change in the manner of making the toilet seat covers which they had submitted as samples as not being satisfied, and asked them to be labeled "Safe Way."

Mr. Johnston: Same objection: he is referring to writings he made.

The Court: Yes, I will sustain the objection.

The Witness: I have the orders I have referred to and they are in evidence.

The Court: Counsel can call my attention to the documents. [118]

Mr. Westall: I will show you this. It is already in evidence and already explained. This is the original order for the first two "Safe Way" cabinets which he referred to. Here is a letter that Morton wrote on November 20 referring to the order.

(Testimony of Warren W. Dunnell.)

Mr. Johnston: Is that in evidence?

Mr. Westall: Yes, that is in evidence as Dunnell Exhibit H, which shows an acknowledgment by the Morton Manufacturing Company of his right to that trademark and to the cabinets. I don't believe Counsel has offered in evidence a deposition that was taken of Mr. Dunnell in Los Angeles a few days ago on the 28th of February, and we have here additional letters. Counsel did not issue a subpoena duces tecum, but he told us what he wanted us to give him, everything, and he requested that at that time and if Counsel is not going to put that in evidence, all of which we have given him, we will offer the deposition in evidence.

The Court: Do you wish to offer the exhibits or the deposition?

Mr. Westall: We wish to offer the deposition and the exhibits, together with the letter that we refer to.

The Court: Which letter is that?

Mr. Westall: That is another letter from Morton Manufacturing Company that Counsel fished out and which is also highly pertinent along the same lines. [119]

The Court: Suppose you take the letter you have reference to and offer it in evidence, if you wish.

Mr. Westall: Yes, we can offer the deposition in evidence if there is no objection to it.

Mr. Johnston: I have no objection.

Mr. Westall: Together with the other exhibits.

(Testimony of Warren W. Dunnell.)

Among other things there is a trademark registration in the State of California with the word "Safe Way" that the applicant got in 1937 without any objection, and so there are a number of things——

The Court: All right, let the deposition and the exhibits be marked in evidence.

The Clerk: May they be deemed in evidence rather than marking them? We usually follow that practice. They are filed as a part of the exhibit.

Mr. Westall: Yes.

The Court: Yes, they may be deemed in evidence.

Q. (By Mr. Westall): Have you any other letters relating to the filling of your orders for "Safe Way" cabinets?

A. Yes, I have some other photostatic copies of letters.

Q. Will you produce them?

A. Yes, here are three photostatic copies of letters: one is dated May 15, 1934; another one, June 7, 1934; and the other is dated February 4, 1935, all referring to furnishing me with my "Safe Way" dispensing cabinets and literature. [120]

The Court: These are not part of the record?

Mr. Westall: They are not part of the record yet. There are additional acknowledgments of Mr. Dunnell's right to the trademark. While Counsel is examining the letters there is one part of the deposition that is highly pertinent on the present inquiry.



(Testimony of Warren W. Dunnell.)

The Court: You'd better give Counsel an opportunity to look at those letters.

Mr. Westall: We perhaps had better have these letters marked for identification before we proceed.

The Court: Are you going to offer them in evidence?

Mr. Westall: Yes.

The Court: Is there any objection?

Mr. Johnston: I don't think they are in any way relevant to the issues.

Mr. Westall: They are highly relevant, because they constantly acknowledge the trademark and congratulate him on the trademark and his advertising, and all that sort of thing.

The Court: You'd better let me look at them.

Mr. Johnston: I think your Honor will see they are entirely consistent with the agency theory that we have advanced.

The Court: They may be admitted. Do you wish them marked separately, or as one exhibit? [121]

Mr. Westall: They can be offered as one exhibit, I suppose, pinned together.

(The photostatic copies of letters dated May 15, 1934, June 7, 1934, and February 4, 1935, were thereupon received in evidence and marked collectively as Plaintiff's Exhibit No. 6.)

Mr. Westall: In this deposition at the time of the reading and signing, after reading the deposition the witness found it necessary to make a cor-

(Testimony of Warren W. Dunnell.)

rection and an explanation. This correction and explanation is as follows:

“In connection with my deposition taken February 28, for Civil Action 26,230-G, I should like to make one correction, and also clarify my testimony in respect to my past relationship in the seat cover business with the Morton Manufacturing Company. The correction is at Line 6 and 7 on Page 65. Instead of this answer reading as it does, it should have read:

“‘No, my agreements that I had had with Morton were not a royalty basis.’”

He says that should have been, “No, my agreements I had with Morton were not royalty, but on a territorial arrangement.”

Then he goes on and says, “In order to clarify my testimony particularly in regard to the questioning beginning on the last line of Page 72, I should say because of your repeated [122] references to the word ‘royalty’, beginning at Page 6 of my deposition to Page 72 and your usual correcting of it to substitute ‘sum of money’ instead of ‘royalty’ indicated very clearly that you have the impression that——”

The Court: That is all argumentative, Counsel.

Mr. Westall: It is to a certain extent, but it is still his explanation.

The Court: Well, it is similar to what he has testified to here.

(Testimony of Warren W. Dunnell.)

Mr. Westall: It is a little different.

The Court: I would rather you complete the testimony of the witness so I can get the facts.

Mr. Westall: I could go over the same thing by questions and answers, but I thought that this might be the easiest way to get at it. However, we will proceed as your Honor has directed.

The Court: It is not a question of my directing you, but it is a little confusing to me when you refer to these other matters. I would rather have both sides complete the factual matters you have to ask of the witness, such as these letters and documents.

Mr. Westall: Very well, your Honor.

Q. Has the Morton Manufacturing Company ever at any time protested to you in any way your use of the trademark "Safe Way" for either cabinets or toilet seat covers? [123]

A. No, they have not.

Q. Did you ever at any time put out any toilet seat cover for resale in stores?

A. Yes——

Q. That is, "Did you"?

A. Yes, I put out a very few.

Q. When and during what period did you put out any toilet seat cover for resale in stores?

A. About ten years ago I manufactured a very small quantity of covers made up in that way, that is, for resale in stores and have made an attempt ever since that time to try and dispose of seat covers in that way, although I have been unsuccessful. As a matter of fact, I still have a few of the covers I manufactured ten years ago.

(Testimony of Warren W. Dunnell.)

Q. Do you know about how many you manufactured at that time?

A. A very small quantity—maybe twenty or thirty.

Q. Have you made efforts during the last ten years to dispose of those covers to stores?

A. Yes, I have made an attempt to try and distribute them that way.

Q. And with what result?

A. With practically no result at all. They were not suitable, apparently, for distribution in that manner.

Q. Can you state what has been the latest attempt you have made in your effort to dispose of seat covers to stores? [124]

A. I made an attempt in the nature of writing some letters to stores such as Kress and Woolworth and Safeway Stores in 1942, and those letters are in evidence.

Mr. Johnston: The witness covered all this in his testimony yesterday.

Mr. Westall: That is true, but——

The Court: May I interrupt, Counsel?

Q. When did you first use the word “Safe Way” in connection with the seat cover?

The Witness: In the—the first sale I made was in December, 1933. I had used the word prior to that in correspondence.

Q. Where and how was that word used in the first sale or sales that you made?

(Testimony of Warren W. Dunnell.)

A. It was used in the carton containing the seat covers and on the dispensing cabinet.

Q. Both? A. Both, yes, sir.

Q. Where was the carton made, in the east, too?

A. No, I had it made in Los Angeles.

Q. The carton was made in Los Angeles and printed there? A. Yes.

Q. Did you call that the dispenser that came from the east, from the Morton Manufacturing Company?

A. That came from the Morton Manufacturing Company and the [125] other cabinet they had made especially for me had the name "Safe Way" on it.

Q. That was the first instance when you used the word "Safe Way" in the sale of seat covers?

A. That's right, sir.

Q. (By Mr. Westall): The Court has just referred to "cartons." Please state whether these exhibits which are already in evidence are the cartons which you refer to.

A. This document, Exhibit N, is a carton which I use to enclose one "SafeWay" dispensing cabinet. This carton is now Exhibit O and is a carton which I packed my "SafeWay" toilet seat covers in and it shows the number of covers in the carton and by whom it is manufactured.

The Court: So the record will be clear, these exhibit numbers are the exhibit numbers in the Commissioner's record?

Mr. Westall: Yes, your Honor.

Q. On all of your cartons in which you distrib-

(Testimony of Warren W. Dunnell.)

uted your product, did you always have your name on there, "Sani-Gard Company," or "Sales Company"?

A. "Sani-Gard Sales Company" when it applied to "Safe Way" toilet seat covers.

Q. In Defendant's Exhibit U, offered this morning, a letter from Sani-Gard Sales Company over your signature to the Consolidated Cover Company at Oakland, California, Counsel read a portion of the letter to you. Now, will you please [126] explain what that means, if it is not clear?

A. The explanation of that part of this letter is that I was the exclusive sales representative for the Morton Manufacturing Company in this territory for the seat covers.

Q. But it doesn't mention or have anything to do with "Safe Way" covers?

A. No, this is before the "Safe Way" covers——

Mr. Johnston: I think the letter speaks for itself, your Honor.

The Court: Let me see the letter.

&. (By Mr. Westall): When did you first hear of the registration by Morton Manufacturing Company of the name "Safe Way" as applied to cabinets? A. It was in 1942.

Q. That was long after it had been granted?

A. That's correct.

Q. Did you know they were going to file such an application for registration for your trademark?

A. No, I did not.

Q. Did you at any time prior to the time last



(Testimony of Warren W. Dunnell.)

referred to authorize the Morton Manufacturing Company to register the trademark in their own name?      A. No, I did not authorize them.

Q. When you discovered that they had without your knowledge registered the name as applied to "Safe Way" cabinets, what [127] did you do?

A. I wrote them a letter regarding the matter and told them I did not approve of their having done that.

Mr. Johnston: I think the letter should be produced. It is the best evidence.

The Court: Is the letter in evidence?

Mr. Westall: No, the letter is not in evidence. We searched for it, but could not find it. All the witness is doing is saying that he protested it and didn't agree to it.

The Court: That is what you want to bring out?

Mr. Westall: Yes, that is what I want to bring out.

The Court: Do you still do business with this firm?      A. No.

Q. How long is it since you have done business with this firm?      A. 1934 or 1935.

The Court: Oh, a long time ago?

A. Yes, a long time ago.

Q. (By Mr. Westall): Were your relations pleasant when you did business with Morton Manufacturing Company?

A. Yes, we got along very well.

The Court: Since that time you have manufactured your own dispensers and cabinets?

(Testimony of Warren W. Dunnell.)

A. Yes, sir.

Q. (By Mr. Westall): How did you happen after first having [128] Morton Manufacturing Company make your covers and cabinets decide to make them for yourself or have them made in this territory, in the Los Angeles territory or other places?

A. Our arrangement in the beginning was one where they were in the position of having the capital and facilities to manufacture an article of this kind and they did start at that time to manufacture that type of an article and I had no capital.

The Court: You mean by that if you did it yourself you could do it cheaper and make more money? Is that the point? That is why you quit them?

The Witness: No, the agreements I had was terminated because they discontinued the manufacture of the Sani-Gard toilet seat cover dispensing cabinet. The agreement I had with them was that they would furnish that to me and then they decided they preferred to discontinue that particular type of seat covering and cabinet.

Q. (By Mr. Westall): You then had to make arrangements of your own for that, is that right?

A. No, that was the termination of the relationship—

The Court: That was the termination of the relationship?

The Witness: Yes.

(Testimony of Warren W. Dunnell.)

The Court: But they did make dispensers for you under the name "Safe Way"?

The Witness: Yes. [129]

The Court: What caused you to discontinue your relations with them at that time?

A. After I could make my dispenser cheaper in Los Angeles.

Q. (By Mr. Westall): Did you also later find you could have your seat cover made cheaper here than you could in the east?

A. Yes, that is true.

Q. Now referring to Defendant's Exhibit T, the original contract, will you please state whether or not that truly represented the agency agreement or other agreement?

The Court: He has already answered that and explained it in great detail. He has gone into that in considerable detail.

Mr. Westall: That's correct. I believe that's all.

### Redirect Examination

By Mr. Johnston:

Q. Mr. Dunnell, did you receive a reply from Morton Manufacturing to your letter protesting their use of the name "Safe Way"?

A. I don't recollect of ever receiving any, no.

Q. I requested you to produce that document and you have looked for it and haven't found it.

A. I don't remember any request for producing a letter of that kind, no.

(Testimony of Warren W. Dunnell.)

Mr. Westall: Are you referring to the last request for production that you made after you left Los Angeles?

Mr. Johnston: I am referring to the request made by [130] wire.

Mr. Westall: You made it by wire and we left Los Angeles and didn't get it.

Mr. Johnston: I see.

Q. Do you recognize that as a copy of the letter you received in response to your letter to them? Here is a copy, Mr. Westall.

Mr. Westall: Thank you.

The Witness: Well, this is a copy of a letter which was in the nature of a reply indirectly from Morton Manufacturing Company to this letter I mentioned that I sent them protesting their registration of the name "Safe Way."

Q. (By Mr. Johnston): Do you remember that now?

A. I do remember receiving something of this kind, yes.

(The copy of letter of May 6, 1943, from Morton Manufacturing Company to Mr. Dunnell, was thereupon marked Defendant's Exhibit W For Identification.)

Mr. Johnston: If your Honor please, we have given Counsel a notice to produce the written contracts between Mr. Dunnell and Morton Manufacturing Company. I have also given notice to produce the correspondence between him and Morton

(Testimony of Warren W. Dunnell.)

with respect to his protest of their use of the name in 1942 or 1943. They have not produced them and they state they cannot find them. The witness just identified them as correspondence which I would like to read purporting to be [131] from the attorneys, by Morton Manufacturing Company, in response to Mr. Dunnell's protest.

The Court: Let me see that.

(A document was handed to the Court.)

The Court: I am of the opinion that both the letter and the protest referred to in this letter are argumentative statements of both parties to this particular controversy, if there was a controversy between the plaintiff and the Morton Manufacturing Company, but you may have it marked in evidence.

(The letter in question, previously marked Defendant's Exhibit W For Identification, was thereupon received in evidence.)

The Court: Are there any further questions of this witness?

Mr. Johnston: Just a few more questions:

Q. Mr. Dunnell, you testified a few moments ago that you always used the name "Sani-Gard" in connection with your product, is that correct? Whether you did or did not, the point is that the public when they use your product normally only see the word "Safe Way," which is on the cabinet, isn't that correct? A. Yes.

Mr. Johnston: I think that's all.

(Testimony of Warren W. Dunnell.)

Mr. Westall: That's all. [132]

The Court: Is that all of this witness?

Mr. Westall: Yes.

The Court: All right.

Mr. Johnston: At this time, if your Honor please, I would like to offer a certified copy of a decree of the Superior Court of the State of Oregon for the County of Multnomah, which decree shows the patent on which Mr. Dunnell relies was sold in partial satisfaction of a judgment by the Sheriff.

(The document referred to was thereupon marked Defendant's Exhibit X For Identification.)

Mr. Westall: We object to that as totally irrelevant to this suit. We can stipulate there was such a suit, and it was sold for judgment, but Mr. Dunnell brought it. But that is totally irrelevant to this case.

The Court: Do you claim that he is not the owner of the patent?

Mr. Johnston: The best evidence we could find is that he is not.

The Court: Is there anything in the Patent Office record that the ownership has been changed?

Mr. Johnston: I took Mr. Dunnell's deposition a week or so ago in Los Angeles and he testified to this suit up in Oregon and I wrote up to get a copy of the judgment to find out what it was all



(Testimony of Warren W. Dunnell.)

about and I haven't been able to [133] get information from the Patent Office, so I don't know.

Mr. Westall: Furthermore, the record is not complete. It does not show what happened to that judgment.

Mr. Johnston: I have the entire document.

The Court: Does it show an execution sale?

Mr. Johnston: Yes.

The Court: In this execution sale was the patent sold?

Mr. Johnston: What it shows is that the patent together with the other property was assigned to this man Hearst as security for a time and this foreclosure suit was brought.

Mr. Westall: Counsel is stating what the record shows and what he concludes from it. I think his record is not complete, but I do think it is pertinent.

The Court: If this is going to be offered you have a right to go into the matter further then.

Mr. Westall: Then I will call Mr. Dunnell for a few questions.

The Court: I can see that if we keep going on this thing in this manner I am going to get involved in half a dozen lawsuits.

Mr. Johnston: That completes our case, your Honor.

Mr. Westall: If your Honor please, I am going to call Mr. Dunnell to the stand again. [134]

## WARREN W. DUNNELL

recalled as a witness on behalf of the plaintiff; previously sworn:

## Direct Examination

By Mr. Westall:

Q. Mr. Dunnell, you were the defendant in this case as described in this Defendant's Exhibit X, were you not? A. Yes.

Q. After that judgment, will you tell me what transpired as to the patent?

A. There was a sheriff's sale in accordance with the Court's order for all the mortgaged assets at that time and I brought them all the assets that the sheriff set forth.

The Court: Did you attend the sale yourself?

The Witness: Yes, I attended the sale myself.

Q. (By Mr. Westall): So you are now the owner of the Dunnell patent?

A. I always have been the owner. I merely assigned it for purposes of security to this man Hearst.

Mr. Westall: I believe that's all.

The Court: Any questions?

Mr. Johnston: No further questions.

The Court: Does that conclude all of the evidence in the case?

Mr. Johnston: Yes, your Honor. [135]

Mr. Westall: Yes.

The Court: You have all the evidence you want in the case?

Mr. Westall: Yes, I think we have more than enough.

The Court: Do you wish to argue this case?

Mr. Westall: Yes, but first I wish to make a motion for the dismissal of the counter claim. I believe that I can very briefly show the Court that that counter claim cannot stand and must be dismissed. I have the authorities here.

The Court: You mean the whole case is submitted to me on the evidence, is it, both on the complaint and the counter claim?

Mr. Johnston: It is my understanding the evidence introduced applies equally to the counter claim as well as the complaint.

The Court: The matter is then submitted, and if you don't have any motion to make on the counter claim I will decide the whole case.

Mr. Westall: The counter claim is in a department of its own so far as this motion to dismiss. In other words, there is a reason under the law why that counter claim cannot stand, which can easily be disposed of. The reason is they have alleged damages which was the only ground by which the counter claim could stand. We challenged that. We denied that in our answer, whether it involved \$3,000 or any other [136] amount and under the authorities which I shall cite, and they are all by the Supreme Court except one, if they tend to prove the jurisdictional amount, the case must be dismissed whatever it is, and I can dispose of that very quickly if your Honor will permit.

The Court: Isn't it the amount claimed that determines the jurisdiction?

Mr. Westall: No, that is wrong. They can claim the amount, but they have to prove the jurisdictional amount. It would be easy in any case to allege jurisdictional amount, but if the jurisdictional amount is challenged, then the burden is on the other side to prove it and we have raised that issue and challenged it in our pleading and they haven't attempted to prove any damages whatsoever, let alone \$3,000, exclusive of interest and costs.

The Court: I should like to hear the views of the defense counsel in that regard. I say that because I still have the same doubt and question in my mind that I expressed last evening as to whether or not under the law there is any relationship that is close enough to the use of the name and goodwill as attached to the name used by the defendant and the use of the name in connection with these toilet seat covers and being in doubt that the law so applies I think I should give the defendant the opportunity to argue that matter. My impression in this case is that the plaintiff [137] should prevail, that I feel that I may not have a clear enough concept of the law on that and so I should hear from Counsel.

(Thereupon argument was made on behalf of the respective parties to the Court.)

The Court: I would like very much to have you file written memoranda.

(Thereupon the case was submitted 30, 35 and 15.)

(Certified copy, Patent Application 453,099, marked Plaintiff's Exhibit 1; Patent Office Records marked Plaintiff's Exhibits 2 and 3; Exhibits before Patent Office marked Plaintiff's Exhibit 4; Record of Sales of toilet seat covers marked Plaintiff's Exhibit 5.) [137-a]

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PLAINTIFF'S EXHIBIT No. 1

Department of Commerce  
United States Patent Office

To all persons to whom these presents shall come,  
Greeting:

This Is to Certify that the annexed is a true copy from the records of this office of the Original Petition, Statement and Drawing; and the Notice of Publication, being Paper 13, in the matter of the Pending Application for the Registration of a Trade-Mark of Warren W. Dunnell, Serial Number 453,099, for Toilet Sea Covers.

Filed May 19, 1942.

In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of Washington, this thirtieth day of September, in the year of our Lord one thousand nine hundred and forty-six, and of the Independence

of the United States of America the one hundred and seventy-first.

[Seal]        /s/ CASPER W. OOMS,  
Commissioner of Patents.

Attest:

/s/ D. A. WILSON,  
Chief of Division.

Application No. 453099

[Main Division, U. S. Patent Office, May 19,  
1942.]

### PETITION AND STATEMENT

To the Commissioner of Patents:

Warren W. Dunnell, a citizen of the United States of America, residing at Los Angeles, California, and doing business at 3101 Pasadena Ave., Los Angeles, California, has adopted and used the trademark shown in the accompanying drawing for toilet seat covers, in Class 50, Merchandise not otherwise classified, and presents herewith five specimens showing the trademark as actually used by applicant upon the goods, and requests that the same be registered in the United States Patent Office in accordance with the act of February 20, 1905. The trade-mark has been continuously used and applied to said goods since October 28, 1933. The trademark is applied or affixed to the goods, or to the packages containing the same, by printing thereon or placing thereon a printed label on which the trademark is shown.

/s/ WARREN W. DUNNELL.

[Notation]: Cancelled 8/17/42.



## Declaration

State of California,  
County of Los Angeles—ss.

Warren W. Dunnell, being duly sworn, deposes and says that he is the applicant named in the foregoing statement; that he believes the foregoing statement is true; that he believes himself to be the owner of the trademark sought to be registered; that no other person, firm, corporation, or association, to the best of his knowledge and belief, has the right to use said trademark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that said trademark is used by him in commerce among the several States of the United States; that the description and drawing presented truly represent the trademark sought to be registered; and that the specimens show the trademark as actually used upon the goods.

/s/ WARREN W. DUNNELL.

Subscribed and sworn to before me, a Notary Public, this 6th day of May, 1942.

[Seal]      /s/ EDWARD F. WESTALL,

Notary Public in and for County of Los Angeles,  
State of Calif.



APPLICATION  
No. 453099

**SAFE Q WAY-**

PUBLISHED U. S. G.

MAR 21 1944

U. S. Patent Office

PROPRIETOR  
Warren W. D.

By *Joseph F. [Signature]*

ATTORNEY



[Letterhead]: Department of Commerce, United States Patent Office, Washington.

Joseph F. Westall  
608 South Hill Street  
Los Angeles 14, California

The application for the Registration of a Trade-Mark filed by Warren W. Dunnell, May 19, 1942, Ser. No. 453,099 in Class (37), (Safe Way and design), has been examined and passed for publication, in compliance with section 6 of the act authorizing the Registration of Trade-Marks, approved February 20, 1905.

The mark will be published in the Official Gazette of Mar. 21, 1944.

Any person who believes he would be damaged by the registration of this mark may oppose the same by filing notice of opposition, stating the grounds therefor, in the Patent Office within thirty days after the publication thereof, which said notice of opposition shall be verified by the person filing the same before one of the officers mentioned in section 2 of the act of February 20, 1905.

If no notice of opposition is filed within said time the Commissioner may issue a certificate of registration.

Copies of the Trade-Mark portion of the Official Gazette containing the publication of the mark may be obtained as soon as published at 10 cents each,

from the Superintendent of Documents, Government Printing Office.

Respectfully,

/s/ CONWAY P. COE,

Commissioner of Patents.

[Endorsed]: Filed Mar. 12, 1947. C. W. Calbreath, Clerk. By L. R. Elkington, Deputy Clerk.

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PLAINTIFF'S EXHIBIT No. 2

Department of Commerce

To all persons to whom these presents shall come,  
Greeting:

This Is to Certify that the annexed is a true copy from the records of this office of papers 1, 3, 5, 6, 7, 8, and 37, in the matter of Opposition Number 23,281, Safeway Stores, Incorporated, vs. Warren W. Dunnell, Trade-Mark for Toilet Seat Covers.

In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of Washington, this sixteenth day of October, in the year of our Lord one thousand nine hundred and forty-six and of the Independence of the United States of America the one hundred and seventy-first.

[Seal] /s/ CASPER W. OOMS,

Commissioner of Patents.

[Attest:]

/s/ D. A. WILSON,

Chief of Division,



Plaintiff's Exhibit No. 2—(Continued)

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23281. Safeway Stores, Incorporated, Opposer, vs. Warren W. Dunnell, Applicant.

Notice of Opposition

The Commissioner of Patents  
Washington, D. C.

Sir:

In the matter of an application for registration of the name "Safeway" for toilet seat covers, in Class 37, Paper and Stationery, Serial No. 453,099, filed May 19, 1942 by Warren W. Dunnell, doing business as Sani-Gard Cover Company, Los Angeles, California, which was published on March 21, 1944 in the Official Gazette, Volume 560, No. 3, page 400, the opposer Safeway Stores, Incorporated, of Oakland, California, believes it would be damaged by such registration, and it hereby gives notice of its intention to oppose the registration of said trade mark.

The grounds for opposition are as follows:

1.

The corporate name of the opposer is Safeway Stores, Incorporated, and it is a duly organized and existing corporation under the laws of the State

## Plaintiff's Exhibit No. 2—(Continued)

of Maryland. Opposer and its predecessors have been extensively engaged continuously since 1926 principally in the business of owning and operating retail grocery stores, under opposer's name "Safeway." Approximately 2,500 retail stores are now owned and operated by opposer, doing business as "Safeway" in the following states: Arkansas, Arizona, California, Colorado, District of Columbia, Idaho, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Oklahoma, Oregon, South Dakota, Texas, Utah, Virginia, Washington, Wyoming.

## 2.

The name "Safeway" is the distinguishing and dominant part of opposer's name. Opposer's name "Safeway" has been and is now prominently displayed in signs on its stores and places of business, in newspaper advertisements, price tags, gummed tape, cash register receipts, invoices, paper bags, display cards, and other forms of advertising, in such manner and to such an extent that the opposer's name "Safeway" alone has become associated in the mind of the public with opposer, and the name "Safeway" by reason of such extensive and continuous use by the opposer over a long period of years has come to mean the opposer, and the public know and identify the opposer by the name "Safeway" alone. "Safeway" is a substantial part of the valuable good will of opposer.

## Plaintiff's Exhibit No. 2—(Continued)

## 3.

The name "Safeway" claimed by applicant, is identical to the name "Safeway" owned and in prior use by opposer and used by opposer in connection with the sale of merchandise in various classifications, including, particularly, paper products, such as toilet tissue, paper towels, paper napkins. The use by applicant of the name "Safeway" is likely to cause confusion or mistake in the mind of the public or to deceive purchasers as to the origin of such goods, and thereby cause irreparable damage to the good-will of the opposer's business in connection with which the opposer's name "Safeway" is extensively used.

## 4.

On or about August 16, 1939, the predecessor of opposer deposited with the Commissioner of Patents a certified copy of its corporate charter, showing its corporate name "Safeway Stores, Incorporated," and received certificate of deposit No. 4220 therefor.

## 5.

The unauthorized use by the applicant of opposer's name "Safeway" on goods such as toilet seat covers is likely to cause confusion or mistake in the minds of the purchasers or to deceive purchasers into believing that such goods are in some manner associated with or emanate from this opposer.

## Plaintiff's Exhibit No. 2—(Continued)

## 6.

The name "Safeway" sought to be registered by applicant consists merely in the name of the opposer corporation, or the distinctive, dominant portion thereof, not written, printed, impressed or woven in some particular or distinctive manner, or not associated with a portrait of an individual, and is therefore within the prohibition against registration of such name under Section 5(b) of the Act of 1905.

## 7.

The applicant, Warren W. Dunnell, is not the owner of the trade mark sought to be registered by him, and he was not entitled to the exclusive use thereof at the time of the filing of his application, nor at any other time.

## 8.

Attached hereto are specimens of the name "Safeway" as used by the opposer.

Wherefore, opposer prays that this opposition be sustained and that registration of the trade mark "Safeway" be refused to the applicant.

Please recognize as our attorneys in this proceeding the firm of Mida, Richards & Murray, composed of Lee W. Mida, Brayton G. Richards, and Alex-

Plaintiff's Exhibit No. 2—(Continued)

ander W. Murray, whose post office address is 537 South Dearborn Street, Chicago, 5, Illinois.

Respectfully submitted,

SAFEWAY STORES,  
INCORPORATED,

By /s/ R. E. FOOSHEE,  
Its Vice President.

April 6, 1944.

Verification

State of California,  
County of Alameda—ss.

R. E. Fooshee being first duly sworn, deposes and says that he is Vice President of Safeway Stores, Incorporated, the opposer mentioned in the foregoing Notice of Opposition; that he has read and signed the same, and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters he believes it to be true.

/s/ R. E. FOOSHEE.

Subscribed and sworn to before me this 6th day of April, 1944.

[Seal]      /s/ B. A. CRETSER,  
Notary Public.

My commission expires 10/20/46.

## Plaintiff's Exhibit No. 2—(Continued)

[Letterhead]: Department of Commerce, United States Patent Office, Richmond 20, Virginia. Mailed May 4, 1944.

Opposition No. 23281. Safeway Stores, Incorporated, v. Dunnell. Application No. 453,099, Filed May 19, 1942, Published March 21, 1944, for Toilet Seat Covers.

A notice of opposition to registration of the above noted trade--mark was filed April 12, 1944, by Safeway Stores, Incorporated, Oakland, California, whose attorneys are Mida, Richards & Murray, 537 South Dearborn Street, Chicago 5, Illinois. A statement of the grounds therefor is forwarded herewith to Joseph F. Westall, 608 South Hill Street, Los Angeles 14, California, attorney for Warren W. Dunnell, 3101 Pasadena Avenue, Los Angeles, California.

Pleadings and procedure with respect thereto shall be governed by the Federal Rules of Civil Procedure (562 O. G.1). All papers when filed to be accompanied by proof of service upon the other party.

Answer due June 5, 1944.

It is noted that the specimens referred to in paragraph 8 of the notice of opposition have not been filed.

/s/ A. A. MACHEY,

Acting Examiner of Interferences,  
Room 212.



## Plaintiff's Exhibit No. 2—(Continued)

In the United States Patent Office Before the Examiner of Interferences. Opposition No. 23,281. Safeway Stores, Incorporated, Opposer, vs. Warren W. Dunnell, Applicant.

Commissioner of Patents  
Richmond 20, Virginia

Sir:

In response to the Office Action of May 4, 1944, of the Examiner of Interferences, and particularly to the last paragraph thereof wherein it is said, "It is noted that the specimens referred to in paragraph 8 of the notice of opposition have not been filed":

On May 9, 1944, as attorney for applicant, I received through the mail a purported copy of a response, dated May 6, 1944, of the Safeway Stores, Incorporated, through their attorneys, to Office Action or communication dated May 4, 1944, to the effect that opposer "files the specimens referred to in paragraph 8 of the notice of opposition," and that "a duplicate set of these specimens has this day been forwarded to attorney for applicant."

There seems to be some confusion in this response. Paragraph 8 only refers to "specimens," and we presume that the specimens referred to are such as are mentioned in Trade-mark Rule 56 which, so far as pertinent, reads, "Two specimens (or facsimiles) of the mark actually used by opposer, if

## Plaintiff's Exhibit No. 2—(Continued)

there be such, should be filed." We presume that this must mean the mark as actually used upon goods of opposer. Instead, however, of receiving any such specimens accompanying the response dated May 6, 1944, of Safeway Stores, Inc., we received one blank address label with the same "Safeway" on it, being a sticker for placing upon merchandise sent out by opposer, and labelled "Merchandise, Fourth Class Mail." We also received five sheets of advertising. Now the confusion referred to results from the fact that such advertisements are mentioned in paragraph 2 of the notice of opposition, and are not therein defined as "specimens." Paragraph 8 of such notice reads, "attached hereto are the specimens of 'Safeway' as used by opposer. We suggest also in clearing up this confusion and furnishing us with the specimens mentioned in said response of opposer to the communication of May 4, 1944, that opposer should inform us as to what particular goods or merchandise said specimens have been applied, and since when.

Inasmuch as the notice of opposition is not complete until we receive the "specimens," we request that opposer be required to send the specimens mentioned in said paragraph 8 of the notice of opposition, in order that we may fully move or answer as prescribed by the Rules of Civil Procedure.

Applicant consents to the filing by opposer of an amended and substituted notice of opposition to incorporate the above suggested additional averments.

## Plaintiff's Exhibit No. 2—(Continued)

In view of the uncertainty or ambiguity of the notice of opposition in the respects mentioned, and the incompleteness of the served copy, we respectfully request that the time for filing answer or otherwise moving under the rules be extended for thirty days, or for such time as the Examiner shall deem adequate.

Respectfully submitted,

/s/ WARREN W. DUNNELL,

By /s/ JOSEPH F. WESTALL,

His Attorney.

## Certificate of Service

I, Joseph F. Westall, attorney for Warren W. Dunnell, hereby certify that on this 16th day of May, 1944, I served a copy of the foregoing communication upon Mida, Richards and Murray, 537 South Dearborn Street, Chicago 5, Illinois, attorney of record for Safeway Stores, Incorporated, by regular mail, postage prepaid.

/s/ JOSEPH F. WESTALL.

Joseph F. Westall  
(Registration No. 3894)  
702 Wm. Fox Building  
608 South Hill Street  
Los Angeles 14, California

\* \* \* \* \*

## Plaintiff's Exhibit No. 2—(Continued)

[Letterhead]: Department of Commerce, United States Patent Office, Richmond 20, Virginia. May 20, 1944. Opposition No. 23281, Safeway Stores, Incorporated vs. Dunnell

The letter filed May 18, 1944, by the applicant, is noted.

In response thereto, it appears, as indicated in the letter filed May 8, 1944 by the opposer, that the address label and advertising sheets served upon counsel for the applicant are duplicates of those filed in the case by the opposer and are the "specimens" which are referred to in paragraph 8 of the notice of opposition. The opposer will be hereinafter correspondingly restricted in its proofs, and the submission of such specimens is deemed to constitute a sufficient compliance with the requirements of Trade-Mark Rule 56 relative thereto.

The time for filing an answer to the notice of opposition is extended to June 9, 1944.

/s/ A. D. BAILEY,

Examiner of Interferences,  
Room 212.

In the United States Patent Office Before the Examiner of Interferences. Opposition No. 23.281. Safeway Stores, Incorporated, Opposer, vs. Warren W. Dunnell, Applicant

## Answer to Notice of Opposition

Applicant, for answer unto the grounds of notice of opposition above entitled, alleges:

## Plaintiff's Exhibit No. 2—(Continued)

## 1.

Applicant is without knowledge or information sufficient to form a belief as to the truth of each and every of the averments of paragraph 1 of said notice of opposition, and upon such ground denies that opposer is a duly organized and existing corporation under the laws of the State of Maryland; and also denies that opposer and its predecessors have been extensively engaged continuously since 1926 principally in the business of owning and operating retail grocery stores under opposer's alleged name "Safeway"; and also denies that approximately 2,500 retail stores are now owned and operated by opposer doing business as "Safeway" in the states as listed in said paragraph; and

## 2.

Denies that the name "Safeway" is the distinguishing and dominant part of opposer's name, and denies that opposer's alleged name "Safeway" has been and is now prominently displayed in signs on its stores and places of business, in newspaper advertisements, price tags, gummed tape, cash register receipts, invoices, paper bags, display cards, and other forms of advertising in such manner and to such an extent that the opposer's name "Safeway" alone has become associated in the mind of the public with opposer; and denies that the name "Safeway" by reason of any such alleged extensive and continuous use by the opposer as alleged in

## Plaintiff's Exhibit No. 2—(Continued)

paragraph 2 of said notice of opposition over a long period of years has come to mean the opposer; and denies that the public know and identify the opposer by the name "Safeway" alone; and denies that "Safeway" is a substantial part of the valuable good will of opposer; and

## 3.

Denies that the name "Safe Way" claimed by applicant is identical with the name "Safeway" alleged to be owned and in prior use by opposer, and asserted to be used by opposer in connection with the sale of merchandise in the various classifications mentioned in paragraph 3 of the notice of opposition; and alleges that applicant is without knowledge or information sufficient to form a belief as to the truth of each of the remaining averments of paragraph 3 of the notice of opposition, and particularly as to the alleged prior use by opposer in connection with the sale of merchandise in alleged various classifications including particularly paper products such as toilet tissue, paper towels, and paper napkins, and upon such ground denies each of said allegations and demands strict proof thereof. Denies that the use by applicant of the name "Safe Way" is likely to cause confusion or mistake in the mind of the public or to deceive purchasers as to the origin of such goods and thereby cause irreparable or any damage to the good will of opposer's alleged business in connection with which the name "Safeway" is extensively



## Plaintiff's Exhibit No. 2—(Continued)

used; and, upon information and belief, applicant alleges that opposer has never applied the name "Safeway" to toilet seat covers and has never sold or distributed toilet seat covers in any of its stores under the name "Safeway" or any other name; and alleges that said product is not appropriate or suitable for distribution in grocery stores, such as referred to in said notice of opposition as being owned or operated by opposer, but that on the contrary said toilet seat covers have never been sold by applicant or, according to the knowledge and belief of applicant, by any other concern to the trade or public who purchase from such stores as those of opposer, but that said product has always been sold by applicant to large public organizations or institutions, such as oil service stations and others, for distribution as part of said service, and that such purchasers have long known of the source of manufacture of applicant's toilet seat covers to which the name "Safe Way" has been applied, and in no instance have any of them been confused or misled as to the source of applicant's manufacture. Alleges that applicant has, since his adoption and use of the name "Safe Way" as a trade-mark for toilet seat covers in his application referred to in the notice of opposition set forth, built up a large business and good will in the sale and distribution of toilet seat covers throughout the United States, and during all this time applicant's said product has never come into competition with any product sold by opposer, nor has opposer to any extent what-

## Plaintiff's Exhibit No. 2—(Continued)

soever become known as a distributor of toilet seat covers; and applicant alleges that opposer has built up no good will whatsoever in the sale or distribution of toilet seat covers, while applicant from the time of his said first adoption and use of said trademark has become widely known throughout every state in the union as a manufacturer and distributor of said product, and the source of such manufacture is well known to the special part of the public as above defined who purchase toilet seat covers. Applicant also denies that such paper products as toilet tissue, paper towels, and paper napkins mentioned in paragraph 3 of the notice of opposition complete in any manner with the sale of toilet seat covers of applicant's manufacture.

## 4.

As to each of the allegations in paragraph 4 of the notice of opposition: Applicant is without information or knowledge sufficient to form a belief as to the truth of such allegations, and on such ground denies each and every of the allegations of said paragraph 4. and demands strict proof thereof, and also demands oyer of said original certificate of deposit No. 4220.

## 5.

Applicant denies that the use by applicant of the name "Safe Way," alleged in paragraph 5 of the notice of opposition to be opposer's name, on goods such as toilet seat covers is likely to cause

## Plaintiff's Exhibit No. 2—(Continued)

confusion or mistake in the minds of purchasers or to deceive purchasers into believing that such goods are in some manner associated with or emanate from opposer, alleging, on the contrary, that applicant is a manufacturer of toilet seat covers and has never distributed and does not intend to distribute such seat covers in stores such as those of opposer for distribution to the public but, on the contrary, applicant only distributes such goods to large companies or institutions, public and private, which furnish such seat covers as part of the public service to users of toilet facilities without charge to such users, and that each and all of the purchasers of applicant's said toilet seat covers are, and have long been, fully aware of the source of manufacture, the same being plainly marked upon each package and, furthermore, being made clear to each of such purchasers by applicant's special advertisements, letters, billheads, and receipts, and moreover the part of the trade and public which purchases seat covers knows that such product is not, and has not been, sold by opposer;

## 6.

Denies that the name "Safe Way" sought to be registered by applicant consists merely in the name of the opposer corporation, or the distinctive dominant portion thereof, not written, printed, impressed or woven in some particular or distinctive manner; admitting, however, that it is not associated with a portrait of an individual and asserts,

## Plaintiff's Exhibit No. 2—(Continued)

on the contrary, that applicant's name "Safe Way" is printed or impressed in a particular distinctive manner with an accompanying design, and is therefore not within the prohibition (as alleged in paragraph 6 of the notice of opposition) against registration of such name under Section 5 (b) of the Act of 1905, or any other law; and

## 7.

Denies each and every of the allegations of paragraph 7. of the notice of opposition, alleging on the contrary that applicant is the owner of the trademark sought to be registered by him, and has been such owner and entitled to the exclusive use thereof since his first adoption and use of said name as set for in his petition and statement forming part of his application as identified in the first paragraph of the notice of opposition herein, i.e., October 28, 1933, the same having been extensively used in interstate commerce by applicant as applied to seat covers from and since his said first adoption and use of said name.

First Affirmative Defense (Laches and Estoppel):

For a further defense to said notice of opposition, applicant alleges:

## I

That applicant has extensively used the mark "Safe Way," as in his application for registration described, in interstate commerce since October 28, 1933, as applied to toilet seat covers, and pre-

## Plaintiff's Exhibit No. 2—(Continued)

vious to such adoption and use had sold seat covers extensively throughout the United States under the trade name "Sani-Gard" and had become well known throughout the United States as a manufacturer and/or distributor of toilet seat covers, always also using the word "Sani-Gard" as part of the fictitious name under which applicant at all such times operated and still continues to operate, and had built up an extensive interstate business and good will in the sale of said seat covers long before applicant's first adoption of the name "Safe Way" as applied to said product; that said name "Sani-Gard", under which fictitious name he had operated and still operates in the sale of said product, and had become widely known as the name of his business and as indicating the source of manufacture of his said product, and all of the purchasing public of such toilet seat covers, namely public and private corporations and concerns purchasing said seat covers for free distribution as part of their public service, knew of this source of manufacture; that when the name "Safe Way" was, as aforesaid, adopted and used by applicant as applied to said seat covers it was always used in connection with said fictitious name under which he had theretofore and since has adopted, and none of such purchasers could possibly under the circumstances be confused or mistaken as to the source of such product when in October, 1933, applicant adopted and first used the name "Safe Way" as aforesaid; that, during all this time during which appli-



## Plaintiff's Exhibit No. 2—(Continued)

cant built up a business and good will throughout the United States in the distribution of seat covers under said trademark "Safe Way," opposer well knew of this distribution and of the extensive good will of applicant in the sale of said seat covers under said trade name, and at no time, notwithstanding such knowledge and notice, did opposer or any of its predecessors question in any manner applicant's title to such trade-mark "Safe Way" as so applied, nor was there any competition between opposer and this applicant in any way relating to said product of said name, opposer during all such time, and at the present time, not selling seat covers nor using the name "Safeway" in connection therewith; that opposer has been guilty of laches in not giving notice to applicant at any time during the aforesaid long continued use by applicant of such trade-mark of its asserted rights to an exclusive use of said name and under equitable principles is estopped now, after such long delay during which applicant's said interstate business and good will were built up, from questioning by this opposition applicant's right and title to said name "Safe Way" as applied to seat covers, and in this proceeding attempting to in effect avail itself of and appropriate applicant's business and good will in the sale of seat covers under the trademark "Safe Way."



## Plaintiff's Exhibit No. 2—(Continued)

## Second Affirmative Defense:

For a further defense to said notice of opposition, applicant alleges:

## II

That applicant has adopted and used extensively in interstate commerce the name "Safe Way" as applied to toilet seat covers since October 28, 1933, and applicant alleges on information and belief that opposer has never applied such name to any article of like descriptive properties; that applicant has built up a large interstate commerce in the use of said name as so applied since the time of said first adoption and use and long before opposer had extensively used the name "Safeway" in connection with its said grocery stores, and long before the date of the earliest "specimens" referred to in the communication dated May 20, 1944, of the Examiner of Interferences in this proceeding, and to which dates opposer is now limited by said last-mentioned Office Action; that the toilet seat covers to which applicant has so applied said mark are not suitable for sale in grocery stores, and are not and have not been sold in stores of such character, and customers at such stores do not associate opposer's said name with any article whatsoever of like descriptive properties (of which there are none) sold in opposer's said stores; that on the contrary said toilet seat covers as aforesaid are only sold to large public companies or organizations which offer toilet facilities for customers, distributing said seat covers

## Plaintiff's Exhibit No. 2—(Continued)

free of charge as part of said service, and that none of the applicant's customers or potential customers have been or could be confused as to the source of manufacture of applicant's product as all are and have been continuously during the time of applicant's said use of said name sufficiently advised, and have always recognized applicant as the distributor of said products, and have never recognized opposer as a distributor of toilet seat covers under any name; alleges on information and belief that opposer does not and has not sold any article in its said grocery stores of the same descriptive properties as applicant's toilet seat covers, and that extension of opposer's said business in operating grocery stores to include the sale of toilet seat covers is not and would not be a natural extension of said opposer's business.

## Third Affirmative Defense:

For a further defense to said notice of opposition, applicant alleges:

## III

"Safeway" is an expression of such commonplace significance in the language that its use in association with products unrelated to opposer's business would not be likely to, and does not, suggest such opposer in the mind of the public in connection particularly with applicant's toilet seat covers. Opposer does not deal in toilet seat covers, nor would purchasers expect to find merchandise

## Plaintiff's Exhibit No. 2—(Continued)

of that character in a chain grocery store; and applicant alleges that it thus appears improbable that applicant's use of the mark he seeks to register would confuse the public to opposer's injury—all as decided by the Commissioner of Patents in *Safeway Stores, Inc. vs. Southern Independent Oil and Refining Company, Inc.*, January 8, 1941, reported 48 U. S. P. Q. 220, of which we request the Examiner to take judicial notice.

## Fourth Affirmative Defense:

For a further defense to said notice of opposition, applicant alleges:

## IV

That the trade-mark "Safeway" was and has been applied to many kinds of articles of merchandise both of a character which might be sold in chain grocery stores, and of a character (like applicant's said seat covers) which would not be found in said grocery stores such as those of opposer, from a time long prior to the first use by opposer in its alleged corporate name, and said name has a common place significance in the language; and the adoption and use of said name by opposer is inequitable as attempting to trade upon the business and good will of other prior trade-mark registrants of the name "Safeway," and such use would tend to confuse the public as to the source of manufacture of merchandise of said prior registrations.

## Plaintiff's Exhibit No. 2—(Continued)

## Fifth Affirmative Defense:

For a further defense to said notice of opposition, applicant alleges:

## V

That the word "Safeway" is a predominating word in the name of a number of corporations throughout the United States, and has been used many times in so many different ways that it is no more calculated to denote one corporation than any other corporation.

## Sixth Affirmative Defense:

For further defenses in law under Rule of Civil Procedure 12 (b) to said notice of opposition, applicant alleges:

## VI

(a) That the notice of opposition does not state a cause of action or any legally sufficient ground for opposition, in that the grounds stated for said opposition are not within the purview of the Act cited in paragraph 6. of said notice of opposition, i.e., §5 (b) of the Act of 1905, Title 15, §85, U. S. Code, particularly in that the word "Safeway" is no more the name of opposer than the word "Stores" or "Inc.", and that the statute cited does not include any reference to part of a name of a corporation, obviously on the contrary referring to the name of an opposer as a whole; and that it thus appears from the averments of said notice of

## Plaintiff's Exhibit No. 2—(Continued)

opposition that the word "Safeway" was not opposer's name, but only one word in opposer's name, and applicant's registration of said name is therefore not prohibited by the terms of said statute;

(b) That it is not alleged in said notice of opposition that said name "Safeway" (said to have been used by opposer since 1926) became widely or otherwise known as a name for opposer's stores in 1927 or at any other time prior to the date of adoption and used by applicant, i.e., October 28, 1933, as hereinbefore set forth; on the contrary, the specimens forming parts of or exhibits to said notice of opposition show as dates of said widespread advertisements of opposer's use of said name to have been long after applicant's first adoption and use.

Wherefore, applicant prays that said opposition be dismissed, and that the registration of the trademark "Safe Way" as described in said application be granted to applicant.

/s/ WARREN W. DUNNELL,  
Applicant.

/s/ JOSEPH F. WESTALL,  
Attorney for Applicant.

JOSEPH F. WESTALL  
(Registration No. 3894)  
702 Wm. Fox Building  
608 South Hill Street  
Los Angeles 14, California.

## Plaintiff's Exhibit No. 2—(Continued)

## Verification

State of California,  
County of Los Angeles—ss:

Warren W. Dunnell, being first duly sworn, deposes and says that he is applicant in the foregoing Answer to Notice of Opposition; that he had read said answer and signed the same, and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters he believes it to be true.

/s/ WARREN W. DUNNELL.

Subscribed and sworn to before me this 31st day of May, 1944.

[Seal] /s/ AGNES E. HIGGINS,  
Notary Public in and for County of Los Angeles  
and State of California.

My Commission Expires July 13, 1947.

## Certificate Of Service

I, Joseph F. Westall, attorney for Warren W. Dunnell, hereby certify that on this 2nd day of June, 1944, I served a copy of the foregoing "Answer to Notice of Opposition" upon Mida, Richards and Murray, 537 South Dearborn Street, Chicago 5, Illinois, attorney of record for Safeway



## Plaintiff's Exhibit No. 2—(Continued)

Stores, Incorporated, by regular mail, postage prepaid.

/s/ JOSEPH F. WESTALL.

JOSEPH F. WESTALL

(Registration No. 3894)

702 Wm. Fox Building

608 South Hill Street

Los Angeles 14, California.

[Letterhead]: Department of Commerce, United States Patent Office, Richmond Va., mailed June 6, 1944. Opposition No. 23281. Safeway Etores, Incorporated, vs. Dunnell.

Paper No. 8. All communications respecting this application should give the serial number, date of filing, title of invention, and name of the applicant.

Records and briefs at final hearing must be filed as directed in rules 162 and 163.

Briefs for junior parties to be filed 25 days before final hearing. Brief for senior party to be filed 10 days before final hearing.

In contested trade-mark cases, only a single ribbon copy of typewritten briefs need be filed; and where a party seeks to have printing of his testimony dispensed with, in addition to the original transcript thereof a single typewritten copy for office use and one for each adverse party will suffice;

## Plaintiff's Exhibit No. 2—(Continued)

but the requirements of rules 162 and 163 must be otherwise observed.

The answer of the applicant having been filed, times for taking testimony and for final hearing are set as given below. The testimony should be taken, forwarded and printed in accordance with the published Rules of Practice of the Office governing patent interference proceedings.

Testimony in chief of Safeway Stores, Incorporated to close August 5, 1944.

Testimony of Dunnell to close September 5, 1944.

Rebuttal testimony of Safeway Stores, Incorporated to close September 20, 1944.

Final hearing December 20, 1944, at 10 a.m.

/s/ A. D. BAILEY,

Examiner of Interferences,  
Room 212.

Hearing: January 23, 1946. In the United States Patent Office. Safeway Stores, Incorporated, vs. Warren W. Dunnell.

Appeal from Examiner of Interferences

Opposition No. 23,281 to registration of trade-mark of Warren W. Dunnell for toilet seat covers, application filed May 19, 1942, Serial No. 453,-099, published March 21, 1944.

Mida, Richards & Murray for Safeway Stores, Incorporated.

Joseph F. Westall and Joseph W. Milburn and John R. Milburn for Warren W. Dunnell.

## Plaintiff's Exhibit No. 2—(Continued)

This is an appeal from the decision of the examiner of interferences sustaining the opposition of Safeway Stores, Incorporated, to the application of Warren W. Dunnell for registration of a trademark for "toilet seat covers."

Applicant's mark is essentially the notation "Safe Way." The opposition was sustained on the ground that the mark constitutes a substantial appropriation of opposer's corporate name.

In *Safeway Stores, Incorporated, vs. Safeway Opticians, Inc.*, 584 O. G. 498, 68 U.S.P.Q. 332, decided since the appeal in the instant case was argued, I found that:

"While 'Safeway' is not opposer's complete corporate name, it has nevertheless become so identified with opposer that it designates opposer to the mind of the public in the same manner, albeit to be a lesser degree, as do the letters 'RCA' designate Radio Corporation of America."

Accordingly, on authority of *Radio Corporation of America vs. Rayon Corporation of America*, 31 C.C.P.A. 808, 139 Fed. (2d) 833, I held the word nonregistrable. And if "Safeway" is nonregistrable, so of course is "Safe Way." *White Cap Co. vs. Allied Stores Corporation*, 503 O. G. 870, 41 U.S.P.Q. 554.

As stated in the *Safeway Opticians* case, and as shown by the evidence here:

## Plaintiff's Exhibit No. 2—(Continued)

“Opposer operates a chain of more than two thousand grocery stores, which are scattered through half the States of the Union. In them it sells not only groceries, but all such more or less related items as the public demands. It has been in business for many years, and has come to be widely known merely as ‘Safeway.’ In fact, it has almost invariably used that word alone as its name. And while it may not be as universally recognized as is Radio Corporation of America, its customers constitute a very considerable portion of the American public.”

In that case, as in this, opposer was not dealing in the particular merchandise for which registration was sought; but that fact was held to be immaterial. Moreover, as pointed out by the examiner of interferences, opposer does sell such paper products as toilet tissue and paper towels, which are clearly of the same descriptive properties as applicant's paper toilet seat covers.

Applicant has been using his mark since the fall of 1933, and his sales have steadily increased. He thus argues that because opposer must have had knowledge of such use, it is estopped by laches to maintain this proceeding. Referring to the examiner's observation that “opposer could not file an opposition to registration of a trade-mark until application for such registration had first been made,” applicant says:

“Certainly opposer could not file an opposi-

## Plaintiff's Exhibit No. 2—(Continued)

tion until applicant requested registration, but during the many years during which applicant had maintained an impregnable title to the name 'Safe Way' as applied to toilet seat covers, if opposer had been injured in any way, opposer should have instituted an unfair competition suit."

But surely its failure to sue did not deprive opposer of the statutory right to oppose the registration of its name as a trade-mark. Presumably, opposer did not object to applicant's use of the mark; but the proposed registration would be prima facie evidence of applicant's exclusive ownership of the term "Safe Way," not only as applied to toilet seat covers, but as applied to all other goods of the same class. It seems to me that if there has been laches, applicant is the guilty party. If he intended to register his trade-mark he should have done so, as he might have done, before the word "Safeway," through extensive advertising, had come to be regarded by the public as merely opposer's corporate name.

The decision of the examiner of interferences is affirmed.

/s/ LESLIE PRAGER,

First Assistant Commissioner.

April 24, 1946.

No. 26230-G—Pltfs. Exhibit No. 2

[Endorsed]: Filed Mar. 12, 1947, C. W. Calbreath, Clerk, by L. R. Elkington, Deputy Clerk.

## PLAINTIFF'S EXHIBIT No. 3

390

Department of Commerce  
United States Patent Office

To all persons to whom these presents shall come,  
Greeting:

This Is to Certify that the annexed is a true copy from the records of this office of Papers 11 and 16, in the matter of Opposition Number 23,281, Safeway Stores, Incorporated, vs. Warren W. Dunnell, Trade-Mark for Toilet Seat Covers.

In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of Washington, this sixth day of September, in the year of our Lord one thousand nine hundred and forty-six and of the Independence of the United States of America the one hundred and seventy-first.

[Seal]

/s/ CASPER W. OOMS,  
Commissioner of Patents.

Attest:

T. A. COULTER,  
Acting Chief of Division.



Plaintiff's Exhibit No. 3—(Continued)

In the United States Patent Office  
Before the Examiner of Interferences

OPPOSITION No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,  
vs.  
WARREN W. DUNNELL,  
Applicant.

Deposition of Milton L. Selby

Taken before Dorothy Dillard, a Notary Public  
in and for the County of Alameda, State of Cali-  
fornia, on Tuesday, August 8, 1944.

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In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,  
vs.

WARREN W. DUNNELL,  
Applicant.

#### DEPOSITION OF MILTON L. SELBY

Deposition of witness produced and examined on behalf of Safeway Stores, Incorporated, Opposer, pursuant to the annexed notice, at the offices of Safeway Stores, Incorporated, in Room 403 at 4th and Jackson Streets, in the City of Oakland, Alameda County, California, on Tuesday, August 8, 1944, between the hours of 10:00 a.m. in the forenoon and 4:30 p.m. in the afternoon before Dorothy Dillard, a notary public in and for the County of Alameda, State of California.

Present:

Drummond Wilde, Esq., in behalf of opposer Safeway Stores, Incorporated;

Joseph F. Westall, Esq., in behalf of applicant Warren W. Dunnell.

Mr. Westall: I understand that it is stipulated that each of the parties to this proceeding will fur-

## Plaintiff's Exhibit No. 3—(Continued)

nish to the other without cost a copy of its or his testimony taken at this proceeding, and will, before filing the original of such deposition accord to the opposite party an opportunity to secure photostatic copies of any exhibits which may have been offered in evidence, such photostats, however, being at the cost of the party to whom they are furnished.

Mr. Wilde: I accept that stipulation.

## MILTON L. SELBY,

being first duly sworn, doth depose and say, in answer to interrogatories propounded to him by Drummond Wilde, Esq., Counsel for Opposer, as follows, to-wit:

Question 1. What is your name, address and occupation?

Answer: My name is Milton L. Selby. My address is 107 Camino Don Miguel, Orinda, California. My occupation is that of an attorney in the employ of Safeway. By that I mean Safeway Stores, Incorporated, a Maryland corporation.

Q. 2. How long have you been employed by Safeway Stores, Incorporated?

A. Since January 1, 1943.

Q. 3. By whom were you employed before that date?

A. Safeway Stores, Inc., a former California subsidiary of Safeway Stores, Incorporated, a Maryland corporation.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

Q. 4. How long were you employed by Safeway Stores, Inc., a California corporation?

A. From about July 5, 1926, to December 31, 1942, which is the date on which Safeway Stores, Inc., a California corporation, was liquidated and all of its assets, business and good will were transferred and distributed to its then parent corporation, Safeway Stores, Incorporated, a Maryland corporation, in complete liquidation of the former.

Q. 5. What are your general duties in your present employment?

A. I am the head of the Legal Department of Safeway Stores, Incorporated. and in such capacity I am in charge of the handling of all legal matters pertaining to the business and affairs of that company and its subsidiaries. In addition, I am the Secretary and a Director of the company and perform the duties incident to such offices.

Q. 6. What were your general duties in your employment with Safeway Stores, Inc., the former California subsidiary?

A. Substantially the same as they are now, except that from 1926 to 1935 I was an attorney in the employ of the company but was not the head of its legal department. For a number of years prior to 1943 I was also the Secretary and a Director of this former California subsidiary and performed the duties incident to such offices.

Q. 7. What is the business of Safeway Stores, Incorporated?



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

A. The operation of a retail chain grocery system consisting of retail grocery stores and markets, warehouses, offices, manufacturing plants and other facilities. In addition, the company supervises and finances the operations of various subsidiaries, some of which do business in the United States and others of which do business in Canada.

Q. 8. Under the laws of what state is Safeway Stores, Incorporated, organized?

Mr. Westall: Objected to as not the best evidence, and further as not identifying what Safeway Stores or what corporations are referred to.

A. Maryland.

Mr. Wilde: Q. 9. When was it incorporated?

Mr. Westall: Objected to as not the best evidence of incorporation.

A. March 24, 1926.

Mr. Wilde: Q. 10. I show you this document marked Exhibit No. 1 and ask you if you can identify it and, if so, state briefly what it is.

Mr. Westall: Objected to on the ground that this is not the best evidence; the document on its face speaking for itself as to its identity, and, furthermore, as to the document itself, that it appears to be a copy, not the best evidence and not properly, or, in fact, in any manner, certified by the proper officer as a true, complete and correct copy.

A. Yes, I can identify it. The document is a true and complete copy of the certificate of incor-

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

poration of Safeway Stores, Incorporated, a Maryland corporation, as amended to date.

Mr. Wilde: Q. 11.

Mr. Westall: Move to strike out the answer so far as it asserts the fact of corporate existence and the grounds heretofore stated in the previous objection.

Mr. Wilde: I offer this document in evidence as Opposer's Exhibit No. 1.

Mr. Westall: Objected to on the grounds heretofore stated, namely, that the document just offered is not the best evidence of anything it may contain.

Mr. Wilde: Q. 11. What records of Safeway Stores, Incorporated, are kept under your supervision?

A. Records and documents of a corporate nature such as minutes of Directors and Stockholders Meetings of the company and its subsidiaries, records pertaining to claims and law suits involving the company and its subsidiaries, various contracts and agreements to which the company or its subsidiaries is a party, various other records, correspondence and documents pertaining to the business and affairs of the company and its subsidiaries.

Q. 12. What products are sold by Safeway Stores, Incorporated?

A. Various items of food, food products, meats and non-food items which are handled generally by grocery stores.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

Q. 13. When was the business of Safeway Stores, Incorporated, established or founded?

Mr. Westall: Is counsel referring to Maryland corporation?

Mr. Wilde: Safeway Stores, Incorporated, a Maryland corporation.

Mr. Westall: I understand from your statement a moment ago that the California corporation is and has been referred to as Safeway Stores, Inc., the abbreviation for "incorporated," while the Maryland corporation has been distinguished by the name Safeway Stores, Incorporated, that is correct, is it not, Mr. Wilde?

Mr. Wilde: Yes.

A. The two main roots of the business were founded on a small scale in 1914 and 1915 and through expansion and as a result of acquisitions, consolidations or mergers most of which took place before 1932, has grown to its present size. From 1926 until December 31, 1942, most of the operations of the Safeway organization in this country, were owned and operated directly by wholly owned subsidiaries. At the end of 1942 all retail subsidiaries in this country and all but one manufacturing subsidiary were liquidated and their assets, business and goodwill were transferred and distributed to the Maryland company. Since then all retail operations of the organization in this country have been owned and operated directly by the Maryland

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

company, which, since its organization in 1926, has been the parent company of the affiliated group.

Mr. Westall: I move to strike out the part of the answer referring to the years 1914 and 1915 and what happened at that time as not being put in issue or referred to in any way in the Notice of Opposition and, therefore, not relevant or pertinent to the present proceeding, objecting to all such matter of such answer and repeating the motion to strike up to the year 1926.

Mr. Wilde: Q. 14. During what period of time has the designation or name "Safeway" been used in connection with the business of the Safeway organization?

Mr. Westall: Objected to on the ground that the question is irrelevant, immaterial, the word, "Safeway" alone, not being put in issue as a trade name or name of a corporation alone, the opposition being founded upon the use by opposer of the name "Safeway Stores, Incorporated," and not the word "Safeway" alone.

A. At all times since 1926, which was after the date on which the name of the former California subsidiary, Safeway Stores, Inc., was changed from Sam Seelig Company to Safeway Stores, Incorporated; the name of this former subsidiary was later changed to the abbreviated form, Safeway Stores, Inc.

Q. 15. In what states does Safeway Stores, Incorporated, a Maryland corporation, operate?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

A. It operates retail grocery stores and markets under the name "Safeway" and other facilities in California, Oregon, Washington, Idaho, Montana, Nevada, Utah, Arizona, New Mexico, Colorado, Wyoming, South Dakota, Nebraska, Kansas, Missouri, Iowa, Arkansas, Oklahoma, Texas, New York, New Jersey, Maryland, Virginia, and the District of Columbia. In most of the states so named it also operates other facilities and conducts other activities. In addition, it conducts seasonal or year-around buying operations in many of said states as well as in Wisconsin, Illinois, Georgia, Mississippi, Tennessee, North Carolina, South Carolina, Louisiana, Florida, West Virginia, Pennsylvania and Maine. The company is qualified to do business in all of the states so named and the District of Columbia.

Mr. Westall: It is moved to strike out the answer in so far as it refers to other states than those mentioned in paragraph 1. of the Notice of Opposition and as to such states is irrelevant and immaterial as not within the issues tendered by the Notice of Opposition. It is also moved to strike out the last sentence of the answer as to qualifications to do business as not the best evidence of such qualification, no foundation having been laid for secondary evidence, and also as to said last sentence, referring to and including the names of states not set forth in the Notice of Opposition.

Mr. Wilde Q. 16. How many stores did Safe-

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

way Stores, Incorporated, own and operate at the end of 1943?

A. Two thousand three hundred thirty-one stores as of December 31, 1943, exclusive of one hundred forty-one stores in Canada, which are owned and operated by a Canadian subsidiary.

Mr. Westall: The question is objected to and it is moved to strike out the answer in that the question includes, apparently, all alleged Safeway Stores in states not put in issue or mentioned in the Notice of Opposition, and it is moved to strike out the answer as immaterial and irrelevant so far as it includes in the number of stores any of the stores in the states not listed in paragraph 1. of the Notice of Opposition. The same objection is made to the reference to the number of stores in Canada on the ground that Canadian owned stores are of no relevance or pertinence whatsoever in this proceeding, are not mentioned in the Notice of Opposition, and if intended to be included in the question are totally irrelevant and immaterial.

Mr. Wilde Q. 17. Has there been any material change since December 31, 1943, in the number of stores so owned and operated by Safeway Stores, Incorporated?

A. No. As of June 30, 1944, Safeway operated about two thousand three hundred and twenty-one stores in this country.

Mr. Westall: I move to strike out the number of stores alleged to be so operated in this country



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

insofar as that number includes states not mentioned in paragraph 1. of the Notice of Opposition.

Mr. Wilde Q. 18. About how many stores were operated by Safeway in the states and the District of Columbia previously named by you?

Mr. Westall: The same objection, as including states not put in issue in the Notice of Opposition. Objection is also made to the use by counsel of the word, "Safeway," implying that that was the full name of Safeway Stores, Incorporated, which is contrary to the Notice of Opposition.

A. About seven hundred and eight stores in California, about 106 stores in Oregon, about 184 stores in Washington, about 32 stores in Idaho, about 45 stores in Montana, about 11 stores in Nevada, about 46 stores in Utah, about 37 stores in Arizona, about 28 stores in New Mexico, about 108 stores in Colorado, about 22 stores in Wyoming, about 2 stores in South Dakota, about 76 stores in Nebraska, about 91 stores in Kansas, about 75 stores in Iowa, about 32 stores in Arkansas, about 100 stores in Oklahoma, about 152 stores in Texas, about 153 stores in New York, about 80 stores in New Jersey, about 28 stores in Maryland, about 75 stores in Virginia, about 127 stores in the District of Columbia.

Mr. Westall: I move to strike out the answer in so far as it refers to any states not set forth in Paragraph 1. of the Notice of Opposition and as entirely irrelevant and immaterial.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

Mr. Wilde Q. 19. Under what name are these stores operated?

A. All of these stores are operated under the name "Safeway."

Q. 20. What were the total sales of Safeway Stores, Incorporated, a Maryland corporation, for the calendar year 1943?

A. The total sales of this company in 1943 were \$344,555,337.95.

Q. 21. In what manner does the company use the name "Safeway" in the operation of its retail stores?

Mr. Westall: Objected to on the ground that the assumption that the stores are called "Safeway" is contrary to the Notice of Opposition in which it is alleged that such stores are called "Safeway Stores" or "Safeway Stores, Inc." and not merely "Safeway."

A. The name "Safeway" alone is used very prominently on large store signs which are attached to or painted on the outsides of the stores and on signs which are maintained at parking lots or areas which are located next to many of the stores and which are maintained by the company for the convenience of customers trading at such stores. It is also used in extensive newspaper advertising which appears regularly in newspapers which are published and circulated in areas in which the company's stores are located. The name "Safeway" alone is used very prominently to identify the stores

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

at which the merchandise so advertised is offered for sale. Other media of advertising such as radio broadcasts and billboards are used frequently by the company to advertise its stores or some of the products sold by its stores and the name "Safeway" alone is used in such advertising to identify its stores. The name "Safeway" alone is also used by the company extensively by having it printed or placed on gummed tape, gummed labels, store posters, bags, cash register receipts and similar items which are used in connection with the operation of its stores.

Mr. Westall: I move to strike out all parts of the immediately preceding answer as irrelevant and immaterial, particularly on the ground that in the office action in this opposition, dated May 20, 1944, which was in response to a letter filed May 18, 1944, by applicant, it was ruled by the Examiner of Interference that the Opposer will be hereinafter restricted in its proofs to the specimens or evidence filed with the Opposition, namely, Ad No. 4967, farm papers, 1939; Ad No. 9171, California Grange News, November 20, 1940; Ad No. 799, newspapers, fall 1941; Ad No. 9174, newspapers 1941; and Ad No. 2617A, farm papers, 1942, and that consequently all parts of the answer suggesting further proof of other advertisements or testimony of the witness that there were such other advertisements or specimens or labels, signs, is contrary to the restriction of the Examiner of Interferences above referred to;

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

that this motion being also made on the ground that the witness' statement of such advertisements is not the best evidence.

Mr. Wilde Q. 22. Has the name "Safeway" alone been used in similar ways in the past by the company and its former subsidiaries to identify its business and stores?

Mr. Westall: Objected to on the ground amplified in the immediately preceding objection, i.e., that the question contemplates going out of and beyond the restriction as to proof in the office action of May 20, 1944, in this proceeding.

A. Yes, for a number of years.

Mr. Wilde Q. 23. What sums of money have been expended by the company and its former subsidiaries for such purposes?

Mr. Westall: Objected to on the ground that the question refers to and includes money expended by the company and alleged subsidiaries for advertising beyond the advertising to which the proceeding has been restricted in said office action of May 20, 1944.

A. I do not know the exact amount so expended up to the present time, but by reason of my connection with the company and its former subsidiaries for a number of years I know that the amounts of money so expended have been substantial and would total many millions of dollars. In 1943 the total amount expended by the company for advertising of all kinds amounted to \$3,631,561.35. A very large part of the amount so expended in 1943 was for ad-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

vertising in which the name "Safeway" alone was used to identify the stores operated by the company.

Mr. Westall: Move to strike out the part of the answer referring to the use of "Safeway" alone as contrary to the issues raised in the Notice of Opposition, and, hence, irrelevant and immaterial.

Mr. Wilde Q. 24. In what manner and to what extent is the name "Safeway" alone used by the company to identify the corporation and its business?

Mr. Westall: Insofar as the question relates to any of the advertising matter other than filed with the Notice of Opposition and to which Opposer is limited by the office action of May 20, 1944, the question is objected to, as irrelevant and immaterial, and a violation of said restriction.

A. The name "Safeway" alone is used very prominently on large store signs which are attached to or painted on the outsides of the stores and on signs which are maintained at parking lots or areas which are located next to many of the stores and which are maintained by the company for the convenience of customers trading at such stores. The name "Safeway" alone is used very prominently in extensive newspaper advertising which appears regularly in newspapers which are published and circulated in areas in which the company's stores are located to identify the stores at which the merchandise so advertised is offered for sale. Other media of advertising such as radio broadcasts and



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

billboards are used frequently by the company to advertise its stores or some of the products sold by its stores and the name "Safeway" alone is used in such advertising to identify such stores. The name "Safeway" alone is also used by the company extensively through having it printed or placed on gummed tape, gummed labels, store posters, bags, cash register receipts and similar items which are used in connection with the operation of its stores.

Mr. Westall: I move to strike out the testimony relating to methods of advertising the name "Safeway" alone and also all parts of the answer referring to any advertising other than the specimens of advertising to which Opposer is limited in said office action of May 20, 1944.

Mr. Wilde Q. 25. By what name is the company known generally to the purchasing public?

Mr. Westall: Objected to on the ground that the witness has not been qualified to testify concerning by what name the company is known generally to the purchasing public and such answer, obviously, would only amount to a surmise by the witness.

A. The company and its business is known generally to the purchasing public by the name "Safeway" by reason of the long continued and extensive use of the name "Safeway" alone.

Mr. Wilde Q. 26. How do you know that the company and its business is generally known to the purchasing public by the name "Safeway?"

Mr. Westall: Objected to as incompetent, irrele-



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

vant and immaterial, and also on the ground heretofore amplified in objection to other similar questions.

A. I know this by reason of my numerous business and social associations both in California and in other parts of the country over a period of years with many people who are not employed by or connected with the company or any of its subsidiaries. In referring to the company in the course of my conversations with such people, many of whom were not known to me previously, I have referred to the company by the name "Safeway" alone, and such people have known immediately that I was referring to the company and its business. In addition, as a result of the long-continued and extensive use of the name "Safeway" alone on store signs, in advertising, and by other means to identify the company and its business, it is my opinion and belief that there would be very few, if any, people in the locality in which the company does business who would not know that the name "Safeway" alone means or refers to the company and its business. The people buying or trading in such localities know that the name "Safeway" alone identifies the company its its business as they see the name on store signs and in newspaper advertisements. Those who trade with Safeway would also see the name as used in connection with the sale of merchandise in the retail stores. The farmers, producers, manufacturers and other suppliers from whom Safeway pur-

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

chases merchandise for distribution in its stores, and the many concerns with which Safeway does business in connection with the operation of its stores know that the word "Safeway" alone identifies the company and its business.

Mr. Westall: It is moved to strike out all references in the immediately preceding answer to store signs and advertising other than those to which Opposer has been limited by the office action of May 20, 1944, and also it is moved to strike out the statement of the opinion of the witness as obviously not qualified to say whether the public at large or any great proportion of them knew of the company otherwise than as "Safeway Stores, Inc.," or "Safeway Stores, Incorporated."

Mr. Wilde: Q. 27. I show you this document, marked Exhibit No. 2, and ask if you can identify it, and, if so, tell what it is.

A. This is a certified copy of the Articles of Incorporation of Safeway Stores, Inc., of Nevada, formerly a Nevada subsidiary of the Maryland company and now dissolved. The name of this former subsidiary was originally Skaggs-Safeway Stores, Incorporated, the name having been changed to Safeway Stores, Incorporated, in 1929, and later in 1941 to Safeway Stores, Inc., of Nevada. This former subsidiary began business in 1926 and prior to its dissolution on December 31, 1942, this former subsidiary owned and operated under the name "Safeway" alone a large number of stores now

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

owned and operated by the Maryland company, such stores being located in a number of the states previously named by me.

Mr. Westall: We move to strike out the statement regarding when the former subsidiary began business and also the statement of its operation under the name "Safeway" alone as irrelevant and immaterial, not within the issues raised in the Notice of Opposition and being advertising matter outside of the restriction of the office action of May 20, 1944.

Mr. Wilde: I offer exhibit No. 2 in evidence.

Mr. Wilde: Q. 28. I show you this document marked Exhibit 3 and ask if you can identify it, and, if so, state what it is.

A. This is a certified copy of the Articles of Incorporation of Safeway Stores, Inc., formerly a California subsidiary of the Maryland company and now dissolved. The name of this former subsidiary was originally Sam Seelig Company, the name having been changed to Safeway Stores, Incorporated, in 1925, and later, in 1934, to Safeway Stores, Inc. This former subsidiary began business in 1914 and, in 1926, after its name had been changed to Safeway Stores, Incorporated, it started to use the name "Safeway" alone on many of the stores owned and operated by it and continued the use of this name until December 31, 1942, when these stores and the assets, business and good will of said corporation, were transferred

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

and distributed in liquidation to the Maryland company. This former subsidiary operated in California and for several years in the Territory of Hawaii.

Mr. Westall: I move to strike out any reference to any date prior to 1926 as not within the issues of this Interference, the same objection being made to the use of the name "Safeway" alone as being irrelevant and immaterial and outside the scope of the ruling of the Examiner of Interference in office action of May 20, 1944.

Mr. Wilde: The Opposer offers Exhibit No. 3 in evidence.

Mr. Wilde: Q. 29. I show you this document marked Exhibit No. 4 and ask if you can identify it, and, if so, state what it is.

A. This is a certificate of the Secretary of the State Tax Commission of the State of Maryland, certifying to the fact that Safeway Stores, Incorporated, is incorporated under the laws of the State of Maryland; that it was in existence and in good standing on the date of the certificate.

Mr. Wilde: The Opposer offers Exhibit No. 4 in evidence.

Mr. Wilde: Q. 30. During what period of time has Safeway Stores, Incorporated, and its predecessors used the name "Safeway" to identify these stores and this business?

Mr. Westall: Objected to on the grounds immediately above amplified in objection to like.

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

questions, namely, as irrelevant and immaterial and contrary and outside of the issues raised in the Notice of Opposition.

A. The name "Safeway" was first placed in use by the former California subsidiary in 1926, and thereafter the use of the name was gradually extended to all stores operated by the company and its predecessors.

Mr. Westall: The same objections.

Mr. Wilde: Q. 31. I show you these photographs marked Exhibits Nos. 5 to No. 8, inclusive, and ask if you can identify them, and, if so, state briefly what they purport to be.

A. Exhibit No. 5 is a photograph of Safeway Store No. 371 at 305 South Logan, Denver, Colorado. Exhibit No. 6 is a photograph of Safeway Store No. 846 at 15 Ocean Avenue, San Francisco, California. Exhibit No. 7 is a photograph of a Safeway Store located at 4922 Swope Parkway, Kansas City, Missouri. Exhibit No. 8 is a photograph of Safeway Store No. 55 at 115 No. First Street, Tucumcari, New Mexico.

Mr. Wilde: The Opposer offers Exhibits Nos. 5 to 8, inclusive, in evidence.

Mr. Westall: Each of these exhibits is objected to on the ground that they are apparently specimens or labels, duplicates of which have not been attached to the Notice of Opposition and are, therefore, not within the restriction imposed by the Examiner of Interferences in office action of May

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

20, 1944, and are, therefore, irrelevant and immaterial, and, furthermore, are not within the issues raised by the pleadings in this case, and, furthermore, the witness has not been qualified to testify to the accuracy of the photographs, nor has he identified when they were made.

Mr. Wilde: Q. 32. Have you seen stores operated by Safeway in California and other parts of the country? A. I have.

Q. 33. Are the stores, the photographs of which have been identified and offered in evidence as Exhibits Nos. 5 to 8, inclusive, fairly representative of the type of stores operated by Safeway?

Mr. Westall: Objected to as incompetent, irrelevant and immaterial, and not identifying subject matter of the photographs, and also as not within the restriction of office action of May 20, 1944.

A. I have seen completed store buildings occupied by stores of Safeway Stores, Incorporated, in most of the states in which it operates stores, and the stores which I have seen are similar to the stores whose photographs are contained in Exhibits 5 to 8, inclusive. The stores which I have seen have carried the sign "Safeway" on the store and in many cases on the parking lot adjacent to the store. In addition, it has been a part of my duties with Safeway to examine blueprints and drawings for new stores and blueprints showing the fixture layouts for these stores and the drawings



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

so examined have carried the name "Safeway" on the store.

Mr. Westall: The answer is objected to as not responsive to the question and also as irrelevant and immaterial, and, furthermore, not the best evidence regarding any blueprints or drawings or signs and as going beyond the restriction contained in the office action of May 20, 1944.

Mr. Wilde: I will stipulate that the objection and the ground for the same which you have made to the effect that the exhibits offered in evidence are not within the scope of the restriction of the office action of May 20, 1944, with respect to each and all of the exhibits numbered 9 to 41, inclusive, which I propose to have identified and offer in evidence. It being also stipulated that when said exhibits have been identified each of them will be regarded as having been offered in evidence by the Opposer, subject to the objection mentioned above.

Mr. Westall: The stipulation is accepted, it being assumed that counsel will briefly through the witness identify each of the exhibits so that the matter may appear of record and that thereafter it will be not necessary for me to repeat or amplify of record the objections referred to to each of said exhibits.

Mr. Wilde: This stipulation is acceptable to me.

Mr. Wilde: Q. 34. I show you these papers marked Exhibits Nos. 9 to 11, inclusive, and ask

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

you if you can identify them, and, if so, state briefly what they are.

A. Exhibit No. 9 is a reproduction of a Brown Derby Beer advertisement which was published in various Arizona newspapers in 1943, ad No. 4056. Brown Derby Beer is brewed and bottled by various breweries and is handled by Safeway alone. Exhibit No. 10 is a reproduction of an advertisement regarding a new Safeway buying set-up for farm products which was published in various farm papers in 1943. This bears the designation, "Ad No. 4203A." Exhibit No. 11 is a reproduction of the general form and set-up of a Safeway advertisement planned for publication in various newspapers during the week beginning Monday, February 28, 1944. The above three exhibits show the use of the name "Safeway" as a designation for the company.

Mr. Wilde: Q. 35. I show you this group of newspaper tear sheets marked Exhibits Nos. 12 to 41, inclusive, and ask you if you can identify them, and, if so, state briefly what they are.

A. These are tear sheets containing retail price advertising used by the company with the name "Safeway" as the sole designation for the company, which appeared in the following newspapers on the dates given: The Enid, Oklahoma, Morning News, June 2, 1944, Exhibit No. 12; The Oklahoma City Times, June 2, 1944, Exhibit No. 13; The El Dorado, Kansas, Times, June 1, 1944, Ex-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

hibit No. 14; The Tacoma, Washington, News Tribune, June 1, 1944, Exhibit No. 15; The Seattle, Washington, Times, June 1, 1944, Exhibit No. 16; The Lewiston, Idaho, Morning Tribune, June 2, 1944, Exhibit No. 17; The Grand Island, Nebraska, Daily Independent, May 30, 1944, Exhibit No. 18; The Evening World Herald, Omaha, Nebraska, May 31, 1944, Exhibit No. 19; The Evening Star, Washington, D. C., June 1, 1944, Exhibit No. 20; The Bronx Home News, New York City, June 1, 1944, Exhibit No. 21; The Herald Statesman, Yonkers, New York, June 1, 1944; Exhibit No. 22; The Bergen Evening Record, New Jersey, June 1, 1944, Exhibit No. 23; The Arizona Republic, Phoenix, Arizona, May 31, 1944, Exhibit No. 24; The Post Register, Idaho Falls, Idaho, June 2, 1944, Exhibit No. 25; The Salt Lake Tribune, Salt Lake City, Utah, June 3, 1944, Exhibit No. 26; The Billings, Montana, Gazette, May 31, 1944, Exhibit No. 27; The Great Falls, Montana,, Leader, June 1, 1944, Exhibit No. 28; The Daily Sentinel, Grand Junction, Colorado, June 2, 1944, Exhibit No. 29; the Wyoming Leader, Cheyenne, Wyoming, June 3, 1944, Exhibit No. 30; The Tribune-Sun, San Diego, California, June 1, 1944, Exhibit No. 31; The Oregon Journal, Portland, Oregon, May 31, 1944, Exhibit No. 32; The Medford, Oregon, Mail Tribune, June 1, 1944, Exhibit No. 33; The Kansas City, Missouri, Times, June 2, 1944, Exhibit No. 34; The Topeka, Kansas, Daily Capital, June 2, 1944, Ex-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

hibit No. 35; The Wichita, Kansas, Beacon, June 1, 1944, Exhibit No. 36; The Humboldt Times, Eureka, California, June 2, 1944, Exhibit No. 37; The San Francisco, California, Examiner, June 1, 1944, Exhibit No. 38; The Fresno, California, Bee, May 30, 1944, Exhibit No. 39; The Los Angeles Herald Express, May 31, 1944, Exhibit No. 40; The Ventura, California, County Star-Free Press, May 31, 1944, Exhibit No. 41.

Mr. Wilde: The Opposer offers exhibits Nos. 9 to 41, inclusive, in evidence.

Mr. Wilde: Q. 36. In what ways would Safeway be damaged or injured by the use and registration by Warren W. Dummell of his pending application for the registration of the trademark "Safeway" for use on toilet seat covers?

A. Safeway handles and sells in its stores various paper products such as toilet tissue, paper towels and paper napkins, in addition to other numerous items of merchandise which are generally sold in retail grocery stores. The use of the name "Safeway" on toilet seat covers manufactured or distributed by the applicant in this matter or any concern other than Safeway would, in my opinion, cause members of the purchasing public in the territory in which Safeway operates to believe that such toilet seat covers are manufactured or distributed by Safeway or an affiliate when such is, in fact, not the case, and the applicant or such other concern would thereby be trading upon the good

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

will which has been created and built up by Safeway at a very substantial cost for the name "Safeway" alone as applied to its stores and business. The registration and the use of the name "Safeway" for toilet seat covers by the applicant in this matter or any concern other than Safeway would, in my opinion, encourage and foster the adoption and use of this name on other products and would thereby impair and further damage the good will created and built up by Safeway in connection with the word "Safeway" alone as applied to its stores and business. In addition, Safeway would be forced to expend additional sums of money and valuable time of members of its staff would be used to restrain such infringements as it is Safeway's policy to vigorously protect its legal and equitable rights to the exclusive use of the name "Safeway" as against those who see fit to trade or attempt to trade upon such good will by the adoption and use of the name "Safeway" or some substantially similar name or word as a trademark to identify merchandise.

Q. 37. Has Safeway or any of its predecessors ever given Warren W. Dunnell permission to use the name "Safeway" on toilet seat covers or any other item of merchandise?      A. No.

No. 38. Although toilet seat covers may not now be handled by Safeway, is it in your opinion possible or probable that this item of merchandise

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

may later be handled by Safeway and other retail grocery stores or other types of retail stores?

A. Yes. The tendency in the retail merchandising field has been to add new items to those usually handled and in the case of Safeway it is our policy to add new items in our general line which we are equipped to handle and for which there is an adequate demand to justify our stocking the same for sale. For example, many grocery stores are now handling beer, wine, liquor, household remedies, vitamin and mineral preparations and other items which were formerly not stocked by grocery stores.

No. 39. Was the purported use by Warren W. Dunnell of the name "Safeway" on toilet seat covers known to Safeway before notice of Mr. Dunnell's application in this matter to register this name came to Safeway's attention?

A. No, not to my knowledge, or according to any information which is in my possession.

Q. 40. If such use had been known to Safeway, is it likely that you would have been informed of it?

A. Yes. It is the policy and practice of Safeway to have such matters referred promptly to the legal department, of which I am the head.

Q. 41. When you referred to the dissolutions and liquidations of the retail subsidiaries at the end of 1942 will you please tell me whether or not these retail subsidiaries were going concerns at the time they transferred their assets, properties,



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

business and good will to the Maryland company?

A. These subsidiaries were all going concerns, carrying on retail store operations and other activities under the name "Safeway" in the territories in which they operated.

Mr. Wilde: That is all the direct examination I have for the witness.

## Cross-Examination

By Mr. Westfall:

XQ. 42. In your answer to question 13 you stated from 1926 until December 31, 1942, most of the operations of the Safeway organization in this country were owned and operated directly by wholly owned subsidiaries. By operations did you not mean stores?

A. I meant all of the operations carried on by the company.

XQ. 43. In other words, the buying and selling you mean were the things that were owned, or was it the stores that were owned?

A. Both were owned and operated by the subsidiaries. The Maryland corporation acted purely as a holding company during most of that period.

XQ. 44. By that you mean as a stockholding company, do you not?

A. Yes. The Maryland corporation owned all of the issued and outstanding capital stock of the subsidiaries which owned and operated the retail stores and other facilities and carried on the businesses therein.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

XQ. 45. In the states which you have mentioned?

A. In the states which I have mentioned. The operations in the states of New York and New Jersey have at all times been carried on directly by the Maryland corporation.

XQ. 46. Do you know when the New York corporation was formed?

A. There has never been a New York corporation. Those operations have at all times been carried on directly by the Maryland corporation. The operations in New York and New Jersey commenced in August, 1941.

XQ. 47. And then it's correct to say that in all of the corporations in all the other states which you have mentioned the ownership of the Maryland corporation predicated on the ownership of stock in all these corporations, is that correct?

A. Yes, until such time as the assets, business and good will of these corporations were transferred to it.

XQ. 48. When was this transfer made?

A. The transfer was made on December 31, 1942, with the exception of the business in the State of Utah, which was transferred to the Maryland corporation in 1941. Operations in Oklahoma and Arkansas were transferred to the Maryland corporation shortly after the assets in Utah were acquired by it.

XQ. 49. In your answer to question 13 you say, "At the end of 1942 all retail subsidiaries in this

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Milton L. Selby.)

country and all but one manufacturing subsidiary were liquidated and their assets, business and good will were transferred to the Maryland company." Which one, or please identify the excepted one.

A. Sutter Packing Company, which operates a fruit and vegetable cannery at Palo Alto, California.

XQ. 50. Not under the name of Safeway Stores?

A. No, sir.

XQ. 51. Are there any stores to your knowledge operating in any state using the name "Safeway" that are not owned by Opposer Maryland corporation? A. Not to my knowledge.

XQ. 52. Are there any stores incorporated in any state under the name "Safeway" or "Safeway Stores" which are not wholly owned by Opposer Maryland corporation?

A. Not to my knowledge.

XQ. 53. It is a fact, is it not, that Opposer Safeway Stores, Incorporated, or any of its said subsidiary companies in any state, never manufactured or caused to be manufactured any toilet seat covers? A. That is correct.

XQ. 54. Has Opposer Safeway Stores, Incorporated, ever sold or offered for sale in any of its said retail stores as mentioned in paragraph 1 of the Notice of Opposition, any toilet seat covers?

A. Not to my knowledge.

XQ. 55. As a matter of fact, it is true, is it not, that Opposer and none of its subsidiary com-

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Milton L. Selby.)

panies, have never offered for sale toilet seat covers under any name?

A. That is true to the best of my knowledge. However, they may have been carried in stock in some stores without my knowledge.

XQ. 56. Do you know who has charge of the Safeway Stores, Incorporated, purchasing department, in Los Angeles?

A. I believe it's Mr. E. S. Wright, operating under Ralph Pringle, our Division Manager.

XQ. 57. Is there a man by the name of J. B. A. Brennan in charge of or connected with the Purchasing Department of Safeway Stores at Los Angeles, California?

Mr. Wilde: I'm going to have to make an objection here, Mr. Westall, on the grounds it's improper cross-examination. I object to this question and any similar line of questions on this ground.

A. Mr. Brennan has been employed as a Grocery Buyer in the Los Angeles Office.

Mr. Westall: Cross-examination closed.

Mr. Wilde: No redirect. Deposition on behalf of the Opposer have been completed and its case is closed.

/s/ MILTON L. SELBY

## Plaintiff's Exhibit No. 3—(Continued)

State of California,  
City of Oakland,  
County of Alameda—ss.

I, Dorothy Dillard, a notary public within and for the County of Alameda and State of California, do hereby certify that the foregoing deposition of Milton L. Selby was taken on behalf of Safeway Stores, Incorporated, in pursuance of the notice hereto annexed, before me, at 4th and Jackson Streets in the City of Oakland in said county on the 8th day of August, 1944; that said witness was by me duly sworn before the commencement of his testimony; that the testimony was written out by myself; that the opposing party was represented by counsel during the taking of said testimony; that the testimony was taken at the offices of Safeway Stores, Incorporated, 4th and Jackson Streets, Room No. 403, in the City of Oakland, County of Alameda, State of California, and was commenced at 10:00 a.m. on the 8th day of August, 1944, and was concluded at 4:30 p.m. of said day; that the deposition was read by said witness before he signed the same, and that he signed the same in my presence; that I am not connected by blood or marriage with either of said parties, nor interested, directly or indirectly, in the matter in controversy.

A true and complete copy of the deposition has been sent by mail, postage prepaid, to the attorney of record for the adverse party.

## Plaintiff's Exhibit No. 3—(Continued)

In testimony whereof, I have hereunto set my hand and affixed my seal of office in the City of Oakland in said County this 16th day of August, 1944.

[Seal]                      /s/ DOROTHY DILLARD,  
Notary Public.

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer.

vs.

WARREN W. DUNNELL,  
Applicant.

## NOTICE OF TAKING TESTIMONY

To: Joseph F. Westall, Esq., Suite 702, Wm. Fox  
Building, 608 South Hill Street, Los Angeles  
14, California.

Please Take Notice that on Tuesday, August 8, 1944, at 10 a.m. at the office of Safeway Stores, Incorporated, Fourth and Jackson Streets, Oakland 4, California, we shall proceed to take testimony of witnesses in behalf of Safeway Stores, Incorporated, as follows:

Drummond Wilde, 6159 Acacia Avenue, Oakland, California;



Plaintiff's Exhibit No. 3—(Continued)

Milton L. Selby, 107 Camino don Miguel, Orinda,  
California.

The examination will continue from day to day  
until completed.

SAFEWAY STORES,  
INCORPORATED,  
By /s/ MIDA, RICHARDS &  
MURRAY,  
Its Attorneys.

July 7, 1944.

Service of the above notice acknowledged this  
10th day of July, 1944.

WARREN W. DUNNELL,  
By /s/ JOSEPH F. WESTALL,  
Its Attorney.

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer.

vs.

WARREN W. DUNNELL,  
Applicant.

Proof of Service

I, Irene Wilbrand, hereby certify that I am  
employed in the office of Mida, Richards & Murray,

## Plaintiff's Exhibit No. 3—(Continued)

537 South Dearborn Street, Chicago 5, Illinois, attorneys for the opposer, Safeway Stores, Incorporated, and that on Friday, July 7, 1944, I sent via registered, air mail, the original and a copy of the annexed Notice of Taking Testimony upon Joseph F. Westall, Esq., Suite 702, Wm. Fox Building, 608 South Hill Street, Los Angeles 14, California, attorney of record for the applicant, Warren W. Dunnell, and that an acknowledgment of service of said notice appears on the annexed Notice of Taking Testimony.

/s/ IRENE WILBRAND.

State of Illinois,  
County of Cook—ss.

Subscribed and sworn to before me this 13th day of July, 1944.

[Seal] /s/ CATHERINE J. ROYA,  
Notary Public.

My commission expires Nov. 20, 1947.

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED ,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Notice of Taking Testimony

To Safeway Stores, Incorporated, and to Messrs.  
Mida, Richards and Murray, 537 South Dear-

## Plaintiff's Exhibit No. 3—(Continued)

born Street, Chicago 5, Illinois, and Drummond Wilde, Esq., c/o Safeway Stores, Inc., Fourth and Jackson Streets, Oakland, California, Its Attorneys:

You and each of you are hereby notified that on Tuesday, the 12th day of September, 1944, at the office of Messrs. Reynolds and McClain, reporters and notaries, Suite 225 Wilson Building, 132 West First Street, Los Angeles 12, California, at ten o'clock in the forenoon, I shall proceed to take testimony of Warren W. Dunnell, who resides at 1939 Rockford Road, Los Angeles 26, California, and John H. Mengler, who resides at 5901 La Prada Park, Los Angeles 42, California, and possibly others of whom later notice will be given you, as witnesses on behalf of applicant in the above-entitled opposition. The examination will continue from day to day until completed. You are invited to attend and cross-examine.

WARREN W. DUNNELL

By /s/ JOSEPH F. WESTALL,

His Attorney.

Dated: August 9, 1944.

I hereby certify that the within deposition of Milton L. Selby relating to the matter of Safeway Stores, Incorporated, Opposer, vs. Warren W. Dunnell, Applicant, Opposition No. 23,281, was taken and sealed up and addressed to the Com-

Plaintiff's Exhibit No. 3—(Continued)  
Commissioner of Patents, 900 North Lombardy Street,  
Richmond, Virginia, by me this 5th day of Sep-  
tember, 1944.

[Seal] /s/ DOROTHY DILLARD,

Notary Public.

My commission expires October 5, 1947.

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,

Opposer,

vs.

WARREN W. DUNNELL,

Applicant.

### Notice to Produce

To Safeway Stores, Incorporated, and to Messrs.  
Mida, Richards and Murray, 537 South Dear-  
born Street, Chicago 5, Illinois, and Drum-  
mond Wilde, Esq., c/o Safeway Stores, Inc.,  
Fourth and Jackson Streets, Oakland, Cali-  
fornia, Its Attorneys:

Take notice that you are required to produce  
on the taking of testimony on behalf of applicant,  
Warren W. Dunnell, in the above-entitled inter-  
ference, the following paper or document:

Letter written on the letterhead of Sani-  
Gard Cover Company, 3101 Pasadena Avenue,  
Los Angeles 31, California, dated on or about

Plaintiff's Exhibit No. 3—(Continued)

June 19, 1944, and directed to Safeway Stores, Inc., 1925 East Vernon Avenue, Los Angeles, California, and signed by Warren Dunnell, which letter offers paper toilet seat covers to Safeway Stores, Inc.,

—and if you fail to do so, secondary evidence of the contents of said letter will be offered upon the taking of testimony on behalf of applicant, Warren W. Dunnell, in the proceeding in which this notice is entitled.

/s/ JOSEPH F. WESTALL,  
Attorney for Applicant,  
Warren W. Dunnell.

Dated: August 9, 1944.

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Affidavit of Service by Mail

State of California,  
County of Los Angeles—ss.

Jeanne Robb, being first duly sworn, says: That affiant is a citizen of the United States and a resi-

## Plaintiff's Exhibit No. 3—(Continued)

dent of the county of Los Angeles. That affiant is over the age of eighteen years, and is not a party to the within and above-entitled action. That affiant's business address is 702 Wm. Fox Building, 608 South Hill Street, Los Angeles 14, California. That on the 9th day of August, 1944, affiant served the foregoing "Notice of Taking Testimony" and the attached "Notice to Produce" on opposer in said opposition, by placing true copies thereof in envelopes addressed to its attorneys at the business addresses of said attorneys, respectively, as follows:

Messrs. Mida, Richards and Murray, 537 South Dearborn Street, Chicago 5, Illinois; Drummond Wilde, Esq., c/o Safeway Stores, Inc., Fourth and Jackson Streets, Oakland, California;

and by then sealing said envelopes and depositing the same, with postage thereon fully prepaid, in the United States Post Office at Los Angeles. That there is delivery service by United States mail at the places so addressed, and there is a regular communication by mail between the place of mailing and the places so addressed.

/s/ JEANNE ROBB.

Subscribed and sworn to before me this ninth day of August, 1944.

[Seal] /s/ PEARL E. BLEWETT,  
Notary Public in and for the County of Los Angeles  
and State of California.

My commission expires March 27, 1948.



Plaintiff's Exhibit No. 3—(Continued)

In the United States Patent Office  
Before the Examiner of Interferences

Opposition No. 23,281

SAFEWAY STORES, INCORPORATED,  
Its Attorney.

vs.

WARREN W. DUNNELL,

Appellant.

Stipulation for the Taking of Testimony on Behalf  
of the Above-Named Applicant Stenographi-  
cally and Transcribing Under Patent Office  
Rule 156.

Stipulated that the testimony on behalf of appli-  
cant, Warren W. Dunnell, may be taken down  
stenographically and transcribed.

Dated this 12th day of September, 1944.

SAFEWAY STORES,  
INCORPORATED,  
Opposer,

By /s/ F. A. HOGE,  
Its Attorney.

WARREN W. DUNNELL,  
Applicant,

By /s/ JOSEPH F. WESTALL,  
His Attorney.

## Plaintiff's Exhibit No. 3—(Continued)

In the United States Patent Office Before the  
Examiner of Interferences

SAFEWAY STORES, INCORPORATED,

Opposer,

vs.

WARREN W. DUNNELL,

Applicant.

Opposition No. 23,281

Depositions of witnesses examined on behalf of the Applicant, pursuant to the annexed notice, at the office of Reynolds & McClain, 225 Wilson Building, 132 West First Street, Los Angeles, California, on Tuesday, September 12, 1944.

Present:

Williamson, Hoge & Judson, by  
Fulton W. Hoge, representing  
Mida, Richards and Murray, and  
Drummond Wilde, on behalf of the Opposer.  
Joseph F. Westall, on behalf of the Applicant.

## Plaintiff's Exhibit No. 3—(Continued)

## EXHIBITS

Dunnell Exhibits:	For Ident.	In Evi.
A—Invoice dated June 5, 1934 of Whedon Paper Converting Corporation to Sani-Gard Sales Company for 15 M Safe-Way Paper Toilet Seat Covers .....	5	5
B—Mimeographed form of shipping report headed Whedon Paper Converting Corporation, to Sani-Gard Sales Co. for 2 M Safe Way Seat Covers .....	6	6
C—Mimeographed form of shipping report headed Whedon Paper Converting Corporation, to L. A. Warehouse for 13 M Safe Way Seat Covers .....	6	7
D—Certified copy of fictitious name record of Sani Gard Cover Company of California, filed Feb- ruary 25, 1936.....	.....	16
E—Certified copy of registration of the name “Sani-Gard Sales Company of California,” filed September 13, 1932.....	.....	17
F—Duplicate purchase order headed Sani-Gard Sales Company, to Morton Mfg. Co., dated November 7, 1933.....	19	20
G—Carbon copy of letter on yellow paper to Mr. Charles D. Morton, Morton Mfg. Co., Chicago, Ill., dated November 7, 1933.....	20	21
H—Letter from Morton Manufacturing Company, signed Charles D. Morton, to Mr. Warren Dunnell, dated Nov. 20, 1933.....	21	22
I—Duplicate purchase order of Sani-Gard Sales Company to Morton Mfg. Co., for 20 M Safe- way Paper Seat Covers.....	24	24
J—Original invoice of Morton Manufacturing Co. of Chicago, dated December 9, 1933 for 20 cases of Safe-way Paper Covers.....	25	25

## Plaintiff's Exhibit No. 3—(Continued)

	For Ident.	In Evi.
Dunnell Exhibits (Continued):		
K—Copy of specification and drawings of Dunnell Patent No. 2,025,941, dated December 31, 1935 to W. W. Dunnell for sanitary cover for toilet seats .....	26	26
L—Loose-leaf ledger sheet headed "Wholesale Paper & Twine Co., 447 Commercial St., Los Angeles .....	28	30
M—Paper ribbon with printing in red.....	31	32
N—Brown collapsed carton containing printing in red for inclosing one Safe Way dispensing cabinet .....	32	32
O—Light brown collapsed carton containing certain printing in red.....	33	33
P—Blank letterhead containing on reverse side an advertising description of Safe Way cabinets and covers .....	36	36
Q—Four sheets of white paper tabulations, each sheet headed "Paper Toilet Seat Covers".....	39	41
R—Letter, dated June 19, 1944, on letterhead of Sani-Gard Cover Company, directed to S. H. Kress & Company, signed Warren W. Dunnell .....	43	44
S—Letter, dated June 19, 1944, on letterhead of Sani-Gard Cover Company, directed to Safeway Stores, Inc., signed Warren Dunnell.....	45	45
T—Letter, undated, on letterhead of Sani-Gard Cover Company, directed to Safeway Stores Inc., signed Warren Dunnell.....	45	45
U—Letter, dated June 29, 1944, on letterhead of Safeway Stores, Inc., directed to Sani-Gard Co., signed J. B. A. Brennan.....	45	46
V—Printed copy of statement of United States Patent Office of trademark 329,627 by Morton Manufacturing Company, registered Nov. 5, 1935 .....	46	47
W-1—Trademark statement 346,868, registered June 8, 1937 to Uecker Equipment Company.. .....		49

## Plaintiff's Exhibit No. 3—(Continued)

	For Ident.	In Evi.
Dunnell Exhibits (Continued):		
W-2—Trademark statement 403,449, registered Sept. 28, 1943, to Southern Independent Oil and Refining Company, Inc.....	.....	49
W-3—Trademark statement 196,097, registered March 10, 1925, to American Motor Body Corporation .....	.....	49
W-4—Trademark statement 213,022, registered May 18, 1926, to Modern Office Devices, Inc.....	.....	49
W-5—Trademark statement 261,352, registered Sept. 17, 1929, to Herman Pintel, doing busi- ness as Arlington Products Co.....	.....	49
W-6—Trademark statement 262,413, registered Oct. 8, 1929, to Elgin Rowland Parker, doing business as Merit Manufacturing Co.....	.....	49
W-7—Trademark statement 268,138, registered Mar. 11, 1930, to Frank J. Quigan, Inc. of Brooklyn .....	.....	49
W-8—Trademark statement 271,445, registered June 3, 1930, to Safeway Sales Corporation, of Boston, Mass. ....	.....	49
W-9—Trademark statement 285,750, registered Aug. 4, 1931, to The Logan-Long Company of Chicago .....	.....	49
W-10—Trademark statement 287,569, registered Sept. 29, 1931, to Dean Rubber Manufactur- ing Company of North Kansas City, Missouri .....	.....	49
W-11—Trademark statement 306,075, registered Sept. 5, 1933, to Alexander J. Forbes, doing business as Safeway Laboratories, Oakland, Cal. ....	.....	49
W-12—Trademark statement 324,981, registered June 4, 1935, to Clopay Corporation, Cincin- nati, Ohio .....	.....	49
W-13—Trademark statement 330,655, registered Dec. 10, 1935, to Robert M. Culley, doing business as Safeway Tire Patch Manufactur- ing Company, South Gate, California.....	.....	49

## Plaintiff's Exhibit No. 3—(Continued)

	For Ident.	In Evi.
Dunnell Exhibits (Continued):		
W-14—Trademark statement 333,604, registered Mar. 31, 1936, to Rein A. Uecker, Inc., Wau- watosa, Wis. ....	.....	50
W-15—Trademark statement 341,742, registered Dec. 22, 1936, to Safeway Products Corpora- tion, New York, N. Y. ....	.....	50
W-16—Trademark statement 344,871, registered April 6, 1937, to Western Containers, Inc., Seattle, Washintgon ....	.....	50
Opposer's Exhibits:		
Nos. 42-1 to 42-49, Incl.—Clippings from local newspapers of Safeway advertising.....	.....	62

## JOHN H. MENGLER,

a witness for the applicant, being duly sworn, doth depose and say, in answer to interrogatories proposed to him by Joseph F. Westall, counsel for the applicant, as follows, to-wit:

## Direct Examination

DQ-1 (By Mr. Westall): Please state your name, residence and occupation.

A. John H. Mengler; my residence is 5901 La Prada Park, Los Angeles; occupation. machinist.

DQ-2 Where is your place of business?

A. 3101 Pasadena Avenue, Los Angeles.

DQ-3 How long has your place of business been located as you have just mentioned?

A. Since February, 1939.

DQ-4 Do you know Warren W. Dunnell, the



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

applicant in the opposition in which this testimony is being taken?      A. I do.

DQ-5    How long have you known Warren Dunnell?      A. About 11 years.

DQ-6    Please state if you know what business Warren W. Dunnell is engaged in at the present time.

A. Manufacturing paper toilet seat covers.

DQ-7    To your knowledge, how long has applicant Warren W. Dunnell been engaged in the business of manufacturing and selling paper toilet seat covers?      A. About 11 years.

DQ-8    Does Warren W. Dunnell do business under any fictitious name in the conduct of his toilet seat cover business and, if so, please state the fictitious name under which said applicant conducts his business?

A. The Sani-Gard Cover Company.

DQ-9    I note that the address you have given as your place of business is also the address of Warren W. Dunnell, doing business under the fictitious name of Sani-Gard Cover Company. Please state whether or not you have any interest in the business of Warren W. Dunnell or the Sani-Gard Cover Company in the sale or distribution of paper toilet seat covers or otherwise.

A. I have no financial interest but I have my shop in connection with his place, and I set up his machinery and keep his machinery in repair.

DQ-10    Do you assist or cooperate with the appli-

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

cant Warren W. Dunnell in the conduct of his said business in any other way in the sale of covers?

A. When he is out of town, I take care of his customers and see that the shipping is done.

DQ-11 When and under what circumstances did you first become acquainted with the applicant Warren W. Dunnell?

A. I worked for the Whedon Paper Converting Corporation, at which place he appeared to have paper toilet seat covers made, and the man who was running the business was Vyse B. Whedon. He was the owner of the business. The job was turned over to me and——

DQ-12 Maybe I had better ask another question. When were you first employed by the Whedon Paper Converting Corporation?

A. In 1928.

DQ-13 Since the time last referred to, what have been the nature and duties of your employment by the Whedon Paper Converting Corporation while you were connected with them?

A. I was superintendent and took care of the machinery besides.

DQ-14 To your knowledge, did Warren W. Dunnell ever enter into any negotiations with the Whedon Paper Converting Corporation regarding the manufacture for the applicant in this proceeding of paper toilet seat covers? A. He did.

DQ-15 When were such negotiations last referred to entered into? A. In 1933.

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

DQ-16 Please state if you know whether these negotiations were oral or written.

A. They were all oral.

DQ-17 With what representative of the Whedon Paper Converting Corporation were such oral negotiations by Warren W. Dunnell had?

A. First, with Mr. Whedon, and the job was turned over to me after an hour or so of talk.

DQ-18 Please explain the nature or substance of the negotiations last referred to by you as having been had in the latter part of 1933.

Mr. Hoge: May I ask a question on voir dire?

Mr. Westall: Yes.

Q. (By Mr. Hoge): Mr. Mengler, were you present at the negotiations and the conversation?

A. Yes; not the first hour. Mr. Whedon was there first and then I was called into the office and took it from there on.

Mr. Hoge: I object to a conversation at which he was not present.

Mr. Westall: Yes.

DQ-19 Please state the nature and substance of the negotiations so far as it came under your personal notice and knowledge.

A. I was asked if we could manufacture the article, and I went into an explanation of just how we would do it if we took the job and what the probable cost would be after we had had time to figure it out. There would have to be dies made, the paper ordered and the different equipment has

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of John H. Mengler.)

to be built and so on before you can start a job like that. It generally takes quite a while.

DQ-20 After such oral conversations or negotiations, please state whether or not, to your knowledge, Warren W. Dunnell had any business relations relating to paper toilet seat covers with the Whedon Paper Converting Corporation, as a result of such conversations.

A. We started to manufacture paper toilet seat covers for him.

DQ-21 From what period of time did the Whedon Paper Converting Corporation manufacture and furnish to applicant Warren W. Dunnell paper toilet seat covers?

A. I think we started to make them about March, 1934.

DQ-22 I show you what purports to be an original invoice, dated June 5, 1934, of the Whedon Paper Converting Corporation, direct to Sani-Gard Sales Company, 1200 Title Guarantee Building, Los Angeles, California, referring to Whedon bill 6870, said invoice purporting to be for 15 M Safe-Way Paper Toilet Seat Covers, which I request the notary to mark Dunnell Exhibit A for identification. Referring to Dunnell Exhibit A for identification, please state whether you have seen that invoice before.

A. I certainly have because all the invoices passed through me before they were sent out by this company.

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

DQ-23 When did you first see Dunnell Exhibit A for identification?

A. It must have been this date, June 5, 1934.

DQ-24 When did you last see the invoice just referred to, Dunnell Exhibit A for identification, before you testified?

A. About two months ago.

DQ-25 And under what circumstances?

A. We worked together and he pulled it out of his files and showed me the invoice and wanted to know if I would recognize that, and I sure did.

DQ-26 That is, Mr. Dunnell pulled it out of his files? A. Yes.

Mr. Westall: We offer in evidence the invoice referred to, marked Dunnell Exhibit A for identification, as Dunnell Exhibit A.





# WHEDON PAPER CONVERTING CORPORATION

318 NORTH AVENUE 22

PHONE: CAPITOL 12145

## INVOICE

TO  
Sent-Gard Sales Company  
1200 Title Guarantee Building  
Los Angeles, California

LOS ANGELES  
CALIFORNIA

6/5/34

BUYERS  
ORDER NO.

243

OUR SALES  
ORDER NO. 6767

VIA

REFER TO  
OUR BILL NO. 6870

TERMS: 2 % 10 DAYS OR 1% 10TH OF MONTH FOLLOWING.

15 M Safe-Way Paper Toilet Seat Covers

@ 1.65

24.75

13 M delivered to L. A. Warehouse  
2 M picked up by Mr. Dunnell

In the United States Patent Office  
Before the Examiner of Interferences.

Safeway Stores, Incorporated,  
Opposer,  
vs. 1934  
Warren K. Dunnell,  
Applicant.

Opp. No. 23,281.

Dunnell Exhibits A, Deposition of Warren K. Dunnell  
Los Angeles, California, September 14, 1944.

Joseph Dunnell  
Notary Public.



WHEDON PAPER CONVERTING CORPORATION

518 No. Ave. 22

Tel. Capitol 12145

Los Angeles, Calif.

SHIPPING REPORT

Buyer's Order No. 243

TO Dunnell Sales Co. Our Order No. 6767

1200 Little ~~Examiner~~ Blvd. La. Ce. Co. P.O.

24 - Safe Way Lead Covers.

In the United States Patent Office  
Before the Examiner of Interferences.

Safeway Stores, Incorporated,  
Opposer.

vs.  
Warren W. Dunnell,

Applicant.

Dunnell Exhibit B, Deposition of John H. Mungler  
Los Angeles, California, September 18, 1934.

Respectfully

OCT 19 1934  
U.S. PATENT OFFICE

June 5/34



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of John H. Mengler.)

DQ-31 To your knowledge, what was done with the shipping report and invoice, the shipping report Dunnell Exhibit B and the invoice Dunnell Exhibit A, after being made out?

A. The invoice was mailed, and the shipping report generally goes with the article.

DQ-32 I next show you what purports to be a shipping report dated June 5, 1934, being also, apparently, a mimeographed form, referring to Buyer's Order 243 and Whedon Order 6767, and directed to the L. A. Warehouse, which is corrected, in pencil, to read "13 M Safe Way Seat Covers," which I request the notary to mark for identification as Dunnell Exhibit C, and ask you if the blanks are filled out in your handwriting.

A. That is my handwriting.

DQ-33 Please state whether or not you made that Dunnell Exhibit C for identification out, that is, filled in the blanks, at the time of the date, June 5, 1934.

A. I filled out the blanks.

DQ-34 And what was done with the shipping report Dunnell Exhibit C for identification after you made it out?

A. One sheet goes with the order and the other sheet is filed with the company who manufactured this, which was the Whedon Company.

DQ-35 How does it happen to be directed to the L. A. Warehouse?

A. That is the place where the article was

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

stored. If you will notice here on the bottom, it says, "Delivered for Sani Gard Sales Co.," but it was delivered to this place and they signed our shipping order, so that we have a receipt that it has been delivered to the warehouse.

DQ-36 I notice that the number "14" before "M", for thousand, "Safe Way Seat Covers" has been stricken out in pencil and the numeral "13" put above it.

A. According to the invoice, the invoice shows that there were 15,000 seat covers sold on this particular order. Evidently 1,000 were taken first and then they must have changed their minds and took 2,000 instead, which left a balance of 13,000. So 2,000 were picked up first and then 13,000 were delivered to the Warehouse.

DQ-37 Please state whether or not you saw Dunnell Exhibit C for identification before testifying and under what circumstances.

A. Yes; about two months ago.

DQ-38 Under what circumstances did you see Dunnell Exhibit C for identification two months ago?

A. Mr. Dunnell took it out of his files and showed it to me and asked me whether I recognized it, which I did.

Mr. Westall: We offer in evidence Dunnell Exhibit C for identification as Dunnell Exhibit C.



VERBON PAPER CONVERTING CORPORATION

516 No. Ave. 22

Tel. Capitol 12145

Los Angeles, Calif.

June 7/34

SHIPPING REPORT

Buyer's Order No.

243

TO

L.A. Warehouse  
316 Commercial St.  
L.A. Cal

Buy Order No.

6767

Via.

O.D.

13

~~14~~ 14 - Safe Way Seed Covers  
(13 cartons)

Delivered for Sam's Seed Sales Co.  
1200 Little Armenia Blvd  
P.O. Box

Dunnell & Co. in Ev.

Jan or  
Hart

In the United States Patent Office  
Before the Examiner of Interferences.

Safeway Stores, Incorporated,  
Opposer,

vs.

Warren W. Dunnell,  
Applicant,

OCT 19 1934  
U.S. PATENT OFFICE  
Opp. No. 23,221.

Dunnell Exhibit C, Deposition of John H. Mengler  
Los Angeles, California, September 12, 1934.

Frank B. Boudles  
Notary Public.



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

DQ-39 Referring to the invoice Dunnell Exhibit A and to the two shipping reports, respectively, Dunnell Exhibits B and C, heretofore offered in evidence, I call your attention to the description of the merchandise as "Safe Way" paper toilet seat covers and ask you if you know how long the trademark "Safe Way" has been applied to paper toilet seat covers by applicant Warren W. Dunnell under the name Sani-Gard Sales Company or Sani-Gard Cover Company.

A. The first time we manufactured paper seat covers in 1934 we immediately stamped each package that went out, which was a carton, with the name "Safe Way Seat Covers" on it.

DQ-40 And what other stamp or name, if any, did you put on?

A. That I don't remember.

DQ-41 I mean did you put the name Sani-Gard Sales Company or Sani-Gard Cover Company on the packages?

A. That I don't believe we did. I don't remember that we did that but I do remember putting the stamp of "Safe Way Seat Covers" on every box that went out.

DQ-42 After the transaction evidenced by Dunnell Exhibits A, B and C, the invoice and the two shipping receipts, all dated June 5, 1934, please state if you know whether or not the Whedon Paper Converting Corporation continued to manufacture for applicant Warren W. Dunnell or the Sani-Gard

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

Sales Company Safe Way paper toilet seat covers?

A. They manufactured them for about a year.

DQ-43 How, if you know, did the Whedon Paper Converting Corporation happen to cease to manufacture such Safe Way paper seat covers for applicant Warren W. Dunnell?

A. The main thing was that the State of Oregon had a minimum wage law less than California did and this was going to be a competitive article, so that the work was taken to Oregon instead of California and was manufactured in Oregon after 1935, about the middle of the year.

DQ-44 Please state whether or not you had any part in closing up the business of the Whedon Paper Corporation. If so, what part did you have?

A. I was appointed to sell all the machinery and close up the business and, wherever the machinery went, I had to install it and instruct the people how to operate it.

DQ-45 Do you know what became of Whedon's Order 6767 as noted on each of Dunnell Exhibits A, B and C?

A. They were all thrown in the incinerator.

DQ-46 They were all destroyed?

A. They were all destroyed.

DQ-47 Please state whether or not the toilet seat covers furnished by the Whedon Paper Converting Corporation to Warren W. Dunnell as Sani-Gard Sales Company were marked or labeled in any manner with the trademark "Safe Way" and, if so,

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

please state how they were marked during the year that Whedon continued to manufacture those covers.

A. That first orders that went out were just put in plain chip cartons, or full telescope cartons they were, and they were hand-stamped. Then we found that those didn't stand up for shipping out of the city. So Mr. Dunnell furnished the cartons for us out of corrugated and those were all printed with everything on them.

DQ-48 Since the Whedon Paper Converting Corporation went out of business, have you been in touch with the activities of Warren W. Dunnell in the sale and distribution of Safe Way toilet seat covers under the name "Safe Way"? If so, in what manner and to what extent?

A. Being in the same building with him, whenever he went out of town, I would take care of whatever business there was, and the cartons were all marked "Safe Way" and marked "Manufactured by the Sani-Gard Cover Company." All of them were marked that way.

DQ-49 Do you know, of your own knowledge, how and to whom applicant Warren W. Dunnell has and does sell and distribute Safe Way toilet seat covers?

A. I know that he sends them all over the United States.

DQ-50 Please explain the nature and source of your information as to how applicant Dunnell sells

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

and distributes Safe Way paper toilet seat covers all over the United States.

A. Being in the same building with him and taking care of his affairs, when he is away, I, naturally, would know something about it. I had to make out shipping tickets and so on and so forth and freight bills, or they call them freight shipping reports to be exact.

DQ-51 Do you know the nature of the customers of Warren W. Dunnell to whom he sells or distributes his Safe Way paper toilet seat covers?

A. Practically all paper jobbers, who, in turn, sell to the consumers.

DQ-52 When did you first move to your present address adjacent the office of Warren W. Dunnell?

A. In February, 1939.

Mr. Westall: You may cross-examine.

### Cross-Examination

XQ-53 (By Mr. Hoge): Did I understand correctly that the toilet seat covers which are referred to in Exhibits A, B and C were destroyed after they were sent to the warehouse?

A. No; after the firm dissolved business. Do you mean from the Whedon Paper Converting Corporation?

XQ-54 Yes.

A. No; the firm went out of business in Dec. 1935 and destroyed practically all records except



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of John H. Mengler.)  
probably—or I don't know as there was anything left.

XQ-55 You are referring to the records of the Whedon Paper Company which were incinerated?

A. Yes; that is it.

XQ-56 On Exhibits B and C it appears that the shipment was made to the L. A. Warehouse, is that correct? A. Surely.

XQ-57 That is a local concern, is it?

A. Yes; right here a couple of blocks from here.

XQ-58 You don't know of your own knowledge what happened to the paper covers after they were delivered to the warehouse, or do you?

A. No; I don't.

XQ-59 When was the first time that you took care of any business for Mr. Dunnell?

A. In 1933; about the latter part of 1933.

XQ-60 Was that just the manufacturing end of it? A. Yes.

XQ-61 Was it the practice then to deliver the paper covers to the L. A. Warehouse?

A. Yes; it was the practice unless he picked them up. Sometimes he probably had customers he wanted to deliver to and then they didn't go to the Warehouse, or if they were shipped out of town.

XQ-62 Did you ever ship any out of town?

A. That is, seat covers?

XQ-63 Yes.

A. I don't remember; not from this first bunch,

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

I don't remember that I did. He took most of them himself.

XQ-64 You don't know of your own knowledge whether any of those were shipped out of town or not? A. The first ones?

XQ-65 The first ones. A. No; I don't.

XQ-66 That original relationship terminated when? A. Just what are you talking about?

XQ-67 You were making paper covers for him or were associated with the Whedon Paper Company, which made them for him, in 1933, I think you said? A. Yes.

XQ-68 And that company went out of business when? A. In 1935.

XQ-69 And I think you moved into the adjacent office to Mr. Dunnell in February, 1939?

A. That is it.

XQ-70 Then, between 1935 and 1939, did you have anything to do with his business?

A. Not a thing.

XQ-71 During that period from 1933 to 1935 inclusive you were connected with the manufacturing end? A. That is it.

XQ-72 And those paper covers which were made for him were either delivered to the Warehouse by him or picked up by the Whedon Paper Company, is that right? A. That is it.

XQ-73 In 1939, I believe you testified, after you moved into the adjacent office, when he was out of town, you took care of his orders while he was away, is that right? A. Yes, sir.

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

XQ-74 In connection with the shipment of any paper covers during that period, just what did you do? A. Do you mean for Mr. Dunnell?

XQ-75 Yes.

A. I would mark all of the cartons and make out the shipping reports and call up the freight company to pick up the stuff and see that the machinery was in order and that the girls were busy.

XQ-76 What do you mean by a shipping report? Do you mean the same sort of thing as Exhibits B and C?

A. No. They were made out to railroads. Some of these were made out to local jobbers. There were regular shipping reports and then the freight shipping report is a different article.

XQ-77 Was it a bill of lading?

A. A bill of lading is right.

XQ-78 Does that show where the purchaser is located to whom it is to be shipped? A. Yes.

XQ-79 Can you recall any of those which called for shipment out of California?

A. Well, for instance, I would say the Leslie Paper Company of Minneapolis, Minnesota, the Fick Paper Company of Chicago, and some other firms I don't remember. But those are two of them that I remember distinctly.

XQ-80 Do you remember when the first shipment was made to any of these concerns that you mentioned? A. No; I don't.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of John H. Mengler.)

XQ-81 You are still connected with Mr. Dunnell, are you?

A. I am not connected with Mr. Dunnell directly.

XQ-82 I mean you have the same relationship that you had at the beginning, February, 1939?

A. Yes, sir.

XQ-83 And have had continuously since that time? A. Yes, sir.

XQ-84 Did these cartons, in 1939 and from then on, have the name "Safe Way" on them?

A. They always had.

XQ-85 That is, on the box and not on the seat cover itself? A. On the box.

XQ-86 Not on the seat cover?

A. Oh, no. You couldn't mark it on the seat cover.

XQ-87 It has no name at all, I suppose, on it?

A. No.

XQ-88 Didn't Mr. Dunnell ever discuss that name with you, that is, how he came to adopt it?

A. No, sir.

XQ-89 Do you recall the size of the name on the carton?

A. There is one there which you can get an idea from.

Mr. Hoge: Do you propose to introduce that, counsel?

Mr. Westall: I am going to introduce it in evidence later. Let the record show that the witness has referred to a large collapsed carton which will

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of John H. Mengler.)

later be offered in evidence as a Dunnell exhibit, and which will later be identified by Mr. Dunnell.

XQ-90 (By Mr. Hoge): Were there any customers, other than jobbers, who bought these seat covers, Mr. Mengler?

A. Not that I know of. There might have been some that came in there and picked up a few of them but I don't know anything about that. Those probably would have been cash customers, but not while I was there anyway.

XQ-91 Do you know whether any of these customers were engaged in the retail business?

A. Not any that I know of. Practically all of the customers were paper jobbers.

XQ-92 How do you know that?

A. Because I would make out the invoices or not the invoices but the shipping reports and bills of lading, and it would tell you right there what they are. And, when the orders came in, I would have to read the orders in order to ship and they would, naturally, have on their letterheads just what business they were engaged in.

XQ-93 And that indicated they were in the wholesale business? A. Yes, sir.

XQ-94 You are basing your answer, then, just on the statements or the letterheads or documents of the customers? A. Yes, sir.

Mr. Hoge: I think that is all.

Mr. Westall: No redirect examination.

/s/ JOHN H. WENGLER

## Plaintiff's Exhibit No. 3—(Continued)

WARREN W. DUNNELL,

the applicant, being duly sworn, doth depose and say, in answer to interrogatories proposed to him by Joseph F. Westall, counsel for the applicant, as follows, to-wit:

## Direct Examination

By Mr. Westall:

DQ-1 State your name, residence and occupation.

A. Warren W. Dunnell; 1939 Rockford Road, Los Angeles 26; I am a manufacturer of paper toilet seat covers.

DQ-2 What is the nature or organization of the Sani-Gard Cover Company?

A. That is a fictitious firm name of the company under which I do my business and I am the sole owner of the business.

DQ-3 During what period of time have you continued to do business under the name of Sani-Gard Cover Company?

A. From 1936 until the present time.

DQ-4 Did you ever file a certificate of doing business under such fictitious name in the county clerk's office of Los Angeles County?

A. I did.

Mr. Westall: We offer in evidence, as Dunnell Exhibit D, a certified copy of the fictitious name record filed with the county clerk, showing its filing on February 25, 1936.

DQ-5 Please state whether or not you have con-



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

tinued to operate under the fictitious name "Sani-Gard Cover Company" since the date of this registration as shown in Dunnell Exhibit D.

A. I have continued to operate under that name since that time.

DQ-6 Up to the present time?

A. Up to the present date.

DQ-7 During the period of time last mentioned, what has been the nature of your business conducted under the fictitious name of Sani-Gard Cover Company?

A. The manufacture and distribution and sale of paper toilet seat covers marked with the trademark "Safe Way" as set out in my application for registration of that mark, of which these proceedings are a part.

DQ-8 Prior to your first adoption and use of the fictitious name "Sani-Gard Cover Company," what was the nature of your business and under what name did you operate?

A. My business was the sale and distribution of paper toilet seat covers and I used the fictitious firm name of Sani-Gard Sales Company.

DQ-9 Please state whether or not you were the sole owner of both of the businesses conducted under the names of Sani-Gard Sales Company and Sani-Gard Cover Company.

A. I was the sole owner of both the Sani-Gard Cover Company and the Sani-Gard Sales Company.

Mr. Westall: We now offer in evidence a cer-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

tified copy, of the county clerk of Los Angeles County, of the registration of the name "Sani-Gard Sales Company of California" as Dunnell Exhibit E, the certificate showing a filing date of September 13, 1932.

DQ-10 Where was your place of business under the fictitious name Sani-Gard Sales Company?

A. For a few months it was located in the Roosevelt Building at 727 West Seventh Street in Los Angeles and shortly after that I conducted the business in the Title Guarantee Building at 411 West Fifth Street, Los Angeles.

DQ-11 When and under what circumstances did you first use the trademark "Safe Way" as described in your application for registration involved in this interference or in this opposition?

A. I first used it on October 28, 1933.

DQ-12 Will you explain just how you used it at the date you have last mentioned?

A. I took a steel dispensing cabinet which I had and printed out the words "Safe Way Paper Toilet Seat Covers" and applied it, that is, the name "Safe Way," on this steel dispensing cabinet. Then I also took some of my paper toilet seat covers and placed a wrapper around them and labeled those also "Safe Way Paper Seat Covers" and loaded the dispensing cabinet with the Safe Way Seat Covers and called on one of my jobber customers herein Los Angeles and exhibited that Safe Way dispensing cabinet and Safe Way seat covers, so

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

marked, to them for their sale or for their consideration and with a prospect for my selling those products so marked.

DQ-13 How do you happen to fix the date October 28, 1933, referred to in your last answer, after this length of time?

A. Well, the circumstances surrounding that situation with respect to adopting a name were very important to me and they were, naturally, impressed upon my mind. I had given a great deal of thought and consideration to the adoption of a name that would be acceptable for my purpose and acceptable to my customers, and it was therefore impressed very carefully and very thoroughly upon my mind as to my doing that at that particular time. Also, I have refreshed my recollection with respect to that by referring to certain of my purchase orders for a supply of Safe Way dispensing cabinets and Safe Way toilet seat covers which were ordered very shortly after that date and at that time. I therefore am very certain of that date.

DQ-14 After labeling and exhibiting the cabinet with the name "Safe Way" on October 28, 1933, as you have described, what did you next do with regard to having any order or anything made up for such cabinets?

A. I wrote a purchase order and addressed it to the Morton Manufacturing Company to have a number of dispensing cabinets made and also made up a purchase order for them to furnish me with

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

some paper toilet seat covers also, to be labeled with the trademark "Safe Way."

DQ-15 You have referred to the Morton Manufacturing Company. Where was that located?

A. In Chicago.

DQ-16 I place before you what purports to be a duplicate purchase order, headed "Sani-Gard Sales Company," dated November 7, 1933, Order No. 216, directed to the Morton Manufacturing Company, for 2 Safeway seat cover cabinets (Wall Type), at \$1, which I ask the notary to mark for identification as Dunnell Exhibit F, and ask you if this is the purchase order to which you have just referred.

A. It is.

DQ-17 Can you state who actually typed the purchase order marked for identification Dunnell Exhibit F?

A. Yes; I typed it myself.

DQ-18 You personally typed it?

A. I personally typed it on my own typewriter. I was operating only in a very small way at that time and had no regularly employed stenographer and did practically all of my own correspondence and was typing my own letters and orders.

DQ-19 This Dunnell Exhibit F for identification appears to be a carbon copy. Please state whether a ribbon copy was made at the same time.

A. Yes. This is a copy and there was an original.

DQ-20 Where did you send the original purchase order?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. The original of that purchase order was mailed to the Morton Manufacturing Company at Chicago, Illinois, and I personally mailed it, as I took care of all my mail personally.

DQ-21 At the address stated on the purchase order?

A. I mailed it to the address stated on the purchase order copy.

DQ-22 Please state whether you stamped the envelope with a postage stamp.

A. It was my practice to use regular United States stamped envelopes. So the order was put in a regular United States government stamped envelope and mailed by me.

DQ-23 Personally by you?

A. Personally.

Mr. Westall: We offer Dunnell Exhibit F for identification in evidence as Dunnell Exhibit F.





# PURCHASE ORDER

294  
DUPLICATE

## SANI-GARD SALES COMPANY OF CALIFORNIA

1800 TITLE GUARANTEE BUILDING  
LOS ANGELES, CALIFORNIA

November 7 1933

Morton Mfg. Co.,  
5105 West Lake St.,  
Chicago, Ill

ORDER NO 216

PUR. REG. NO. \_\_\_\_\_  
THESE NUMBERS MUST APPEAR ON  
YOUR INVOICE, EACH PACKAGE  
AND BILL OF LADING

PLEASE SHIP TO US AT Los Angeles, Calif.

PARCEL POST RUSH

c. s. Chicago, Ill

QUANTITY	MATERIAL AND DESCRIPTION	PRICE	UNIT
2	SAFEGWAY seat cover Cabinets (Wall Type) 0	1.00	
Specifications as per our letter this date.			
Please RUSH-- This order very important.			
<div style="display: flex; justify-content: space-between;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);"> <p>RECEIVED DIVISION OCT 19 1933 PATENT OFFICE</p> </div> <div> <p>In the United States Patent Office Before the Examiner of Interferences.</p> <p>—</p> <p>Safegway Sales Incorporated, } Opposer, } Warren W. Dunnell, } Applicant. }</p> <p>Opp. No. 23,281.</p> </div> </div>			
<p>Dunnell Exhibit <u>7</u>, Deposition of <u>Warren W. Dunnell</u>, Los Angeles, California, September 12, 1944.</p> <p><i>Ross Reynolds</i> Notary Public.</p>			

### CONDITIONS:

1. ACKNOWLEDGE RECEIPT OF THIS ORDER BY RETURN MAIL. ADVISING IF SHIPMENT WILL BE MADE ON DATES REQUESTED. THE RIGHT IS RESERVED TO CANCEL ALL OR ANY PART OF THIS ORDER IF NOT SHIPPED WITHIN TIME SPECIFIED.
2. ALL MATERIAL FURNISHED MUST CONFORM WITH OUR SPECIFICATIONS WHERE INDICATED. IF NOT FOUND IN ACCORDANCE, SHIPMENT WILL BE REJECTED AND HELD AT YOUR RISK AWAITING DISPOSITION. SHIPPER MUST PAY ALL TRANSPORTATION CHARGES BOTH WAYS, ON ALL REJECTED MATERIAL.
3. SEPARATE INVOICE FOR EACH ORDER MUST BE MAILED ON DAY OF SHIPMENT WITH BILLED BILLS OF LADING SHOWING FULL DETAILED DESCRIPTION.
4. WE WILL NOT BE RESPONSIBLE FOR GOODS DELIVERED EXCEPT ON A PROPERLY AUTHORIZED PURCHASE ORDER.

SANI-GARD SALES COMPANY

PURCHASING AGENT



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-24 I place before you what purports to be a carbon copy of a letter on a yellow sheet of paper, without a letterhead, addressed to Mr. Charles D. Morton, Morton Mfg. Co., Chicago, Ill. and dated November 7, 1933, and ask you if you wrote such letter. A. I did.

DQ-25 Did you personally typewrite the original and this carbon as you have described?

A. I did.

DQ-26 After the letter was written, what was done with the original?

A. I placed it in an envelope properly stamped and placed it in the mail together with a purchase order which was for the cabinets. I believe they were both sent at the same time, that is, mailed at the same time.

DQ-27 When you refer to the purchase order, do you mean Dunnell Exhibit F?

A. That is right; yes, sir.

DQ-28 Please state whether or not you signed the original letter.

A. Oh, yes; I signed it with my signature.

DQ-29 And you placed the proper postage upon it and mailed it to the Morton Company, did you?

A. I mailed it in a regular stamped envelope and put it in the United States mails, with my signature on the original.

DQ-30 Please state whether or not on the original letter, of which Dunnell Exhibit G for identification is a carbon copy, there was contained any other matter than shown on the carbon copy.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. It was written, of course, on a letterhead of mine, of the Sani-Gard Sales Company. Merely the name of the fictitious firm was there as well as the address and the signature was also on the original.

DQ-31 And there were no other changes in the letter? A. There were no other changes.

Mr. Hoge: Counsel, may I ask what the purpose of this letter is?

Mr. Westall: It is to show in connection with the other documents an adoption and actual use inasmuch as the opposition in a paragraph has denied the ownership of the trademark which is established by adoption and use, and this is all corroborative of the adoption and use.

Mr. Hoge: I should think his direct testimony would be sufficient for that. It is a self-serving document, isn't it?

Mr. Westall: Any deed is a self-serving document, of course.

Mr. Hoge: Well, I won't object to it.

DQ-32 (By Mr. Westall): I notice that in the first paragraph there is certain under scoring in pencil. Do you know whether that was on the original that you sent? A. No; I don't believe so.

DQ-33 That has been placed on later, has it not?

A. That has been placed on there at some later date.

Mr. Westall: We offer in evidence Dunnell Exhibit G for identification as Dunnell Exhibit G.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

DUNNELL EXHIBIT G

Deposition of Warren W. Dunnell, Los Angeles,  
California, September 12, 1944.

/s/ ROSS REYNOLDS,  
Notary Public.

Docket Division, U. S. Patent Office, Oct. 19, 1944.  
November 7 1933

Mr. Charles D. Morton,  
Morton Mfg. Co.,  
Chicago, Ill.

Dear Mr. Morton:

This will acknowledge receipt of your airmail-special delivery letter of the 6th, which was received this afternoon. I have been anxiously awaiting receipt of this information, and needless to say I was not only mighty glad to get it, but overwhelmingly pleased with your acquiescence to the suggestions I have made, and the splendid help and backing you are giving me to go after the possible business I

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

see probable on the West Coast for this new seat cover to be known as "Safeway." Here is my assurance that nothing short of a calamity is going to keep me from producing results.

Yesterday I had a phone call from Mr. Remmers of the Crown-Willamette Paper Co., telling me that his inquiry of their San Francisco office in respect to conversion of the seat covers from paper made by their mill, resulted in information to the effect that the Mill was not equipped at present to do the actual conversion. They were however very much interested in the inquiry, and will be very pleased to cooperate with us or any paper converter, in respect to acting as a source of supply for the paper itself. I shall continue my investigation as to the possibility of securing other quotations from converters, in addition to price quoted by Angelus, but in the absence of anything further of interest, I will make up my proposal to Zellerbach in San Francisco, on the basis of prices outlined in my letter of October 28th. I must have our proposition before them by the 26th of this month, for consideration at their Standardization Conference, to begin on that date, and which I believe I told you is attended by all their Pacific Coast Branch Managers.

In connection with my proposition to the Zellerbach Paper Co., I think it is very important that I provide for their consideration at the meeting, a sample Safeway, wall type cabinet. Accordingly I am enclosing order #216 for 2 Safeway wall type cabinets to be rushed to me parcel post with all



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

possible speed. If necessary I think you should make these two cabinets up special, so that I will be sure to have them, one of which to send Zellerbach in time for their meeting. The other one I want for consideration by the Associated Oil Co. in San Francisco.

I have the Auditorium Building here, which houses our Philharmonic Auditorium, interested in the new Wall type cabinet, but they do not like the red, white and blue coloring at all. Consequently I have wired you, suggesting that we would much prefer decalcomanias of a gold color (similar to Sani Guard) for the new Safeway Cabinets, I feeling sure that this will be more generally acceptable too. I hope you can do this without difficulty. But do not hold up shipment of the two cabinets on order #216 for any appreciable time, if this should cause any delay.

In the Third item on first page of your letter of the 6th, in respect to the paper, you mention that it will be supplied without paper wrapper at the top of the pad. Please, by all means, do not leave this off. As suggested in a previous letter of yours, this paper wrapper is of considerable assistance in keeping the sheets of the pad in position, after the pad has been put in the cabinet, if left on the pad and not torn off. Sanitor have a paper wrapper on their pads with the words printed on it "Do not remove this wrapper." I believe that by all means we should have a wrapper on the pad, the Vend Gard wrapper should be all right except turned over and

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

the printing would not show from the under side.

With respect to paper wrapper for the feet of the pad, I mean that the bradding process (wire Clips) should be eliminated, and the small paper wrapper only, put on the feet, as is now done on Vend-Gard.

I suggest providing two wood screws only, as per sample enclosed, with each cabinet. It is not necessary to have bolts also included, of any type. The screws alone will meet the requirements of 95% of the installations. The holes of course should fit the screws properly. The screws could be included in some kind of an envelope together with the cabinet lock key.

I enclose orders for both cabinets and paper with proper shipping instructions. Mr. Goody, representative here for Menasha, has offer any cooperation he can in respect to shipment of paper in their cars to the Coast. Menasha has about 12 cars a month to Los Angeles, about 7 per month to San Francisco, and about 2 cars a month to Seattle. Some service, much of an improvement over Northern.

Received order today for 50 cases Sani Gard from Metro Goldwyn, and if my order #212 arrives as expected in Northern Car released last Thursday or Friday, I can made delivery and collection therefor so that I can send you at least a \$100.00 more than the \$200.00 previously promised for this month. The delay in shipment of order

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

#211, for Blake Moffitt & Towne, has resulted in their drawing unexpectedly, and rather heavily on my warehouse stock here, so I need order #212 badly.

With my kindest regards,

Yours very truly,

WD/L

DQ-34 I place before you what purports to be an original letter on the letterhead of the Morton Manufacturing Company of Chicago, Illinois, dated November 20, 1933, which I request the notary to mark for identification Dunnell Exhibit H, and ask you how that letter happened to come in your possession?

A. It came into my possession in the regular course of my business through the mail.

DQ-35 And when was it received?

A. It was received within two or three days after November 20, 1933.

DQ-36 And has it been in your custody since its receipt and until you turned it over to me for the purposes of this case?

A. It has.

DQ-37 Can you identify the signature attached to Dunnell Exhibit H for identification?

A. It seems to be the signature of Charles D. Morton, vice-president of the Morton Manufacturing Company.

DQ-38 I notice there is a small "k" after the name or the signature.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. Well, it is possible that that might have been signed for Mr. Morton by his secretary who wrote the letter and she initialed it in that way.

Mr. Westall: We offer in evidence Dunnell Exhibit H for identification as Dunnell Exhibit H.

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

DUNNELL EXHIBIT H

Deposition of Warren W. Dunnell, Los Angeles,  
California, September 12, 1944.

/s/ ROSS REYNOLDS,  
Notary Public.

Docket Division, U. S. Patent Office, Oct. 19, 1944.

[Letterhead Morton Manufacturing Company]  
Nov. 20, 1933.

Mr. Warren Dunnell,  
1200 Title Guarantee Bldg.,  
Los Angeles, California.

My dear Warren:

Your letter of the 18th which, of course, crossed

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

my communication of the same date, in the mails, has just come to hand.

I full realize the urgency on your part for the receipt of the two special Safe-Way Cabinets—and if it had not been for our desire to hand-letter the entire cabinet in gold, for presentation purposes on your part, same might have been released several days ago. However, the cabinets are now en route to you—having been sent via parcel post, special delivery, and we are sure that they will arrive in ample time for your needs.

Best wishes—

Sincerely,

MORTON MANUFACTURING  
COMPANY,

/s/ CHARLES D. MORTON, k  
Vice President.

CDM:K.

DQ-39 Please state whether or not you received the two cabinets as per your purchase order No. 216 and the letter which you have described as accompanying such purchase order to the Morton Manufacturing Company and dated November 9th, and both in evidence as Dunnell Exhibits F and G.

A. I think you made a mistake there. I received these two dispensing cabinets that were ordered herein accordance with my Order No. 216.

DQ-40 You mentioned in your answer some mistake. Will you please explain what you mean?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. You referred to something of the date of November 9th.

DQ-41 I meant dated November 7th. I made a mistake. A. That is right.

DQ-42 When did you receive said two cabinets last referred to?

A. In the latter part of November, 1933.

DQ-43 Please state whether or not the two cabinets last referred to were marked with the trademark "Safeway" as directed in your letter and purchase order, Dunnell Exhibits F and G.

A. They were marked in that way.

DQ-44 When did you first order toilet seat covers bearing the name "Safe Way" as described in your application involved in this opposition?

A. On November 9, 1933.

DQ-45 That was the same date as the order Dunnell Exhibit F and the letter Dunnell Exhibit G, is that correct?

A. No; that was two days later.

DQ-46 What was the nature of the business of the Morton Manufacturing Company at the time last referred to?

A. They were manufacturers of railway equipment and industrial steel products.

DQ-47 Was the Morton Manufacturing Company in the business of manufacturing toilet seat covers at the time last referred to or at any other time?

A. No; they were manufacturing industrial



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

equipment of one kind or another, which included steel dispensing cabinets for paper toilet seat covers, and they purchased paper toilet seat covers from paper mills in their vicinity there in the middle west and resold the paper seat covers.

DQ-48 How did you happen to place the order of November 9, 1933, last referred to, with the Morton Manufacturing Company for toilet seat covers marked with the trademark "Safe Way?"

A. They were properly connected with the paper mills in that locality for the product known as paper toilet seat covers and they were giving me a satisfactory price and, as long as I was buying my dispensing cabinets from them for those paper seat covers, it was natural for me to buy also the paper seat covers from them.

DQ-49 I hand you what purports to be a duplicate of a purchase order, dated November 7, 1933, numbered 224, directed to the Morton Manufacturing Company, for 20 cases, 2,000, Safeway paper seat covers, which I will ask the notary to mark for identification as Dunnell Exhibit I, and ask you if that is the order which you have just referred to.

A. This is the order except that I believe I made a mistake in saying November 9th and it should have been November 7, 1933.

DQ-50 It was the same date as the order for the cabinets, Dunnell Exhibit F?

A. That is right.

DQ-51 And did you type the original ribbon

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)  
copy of which Dunnell Exhibit I for identification  
is a carbon?           A. I did; I typed it.

DQ-52 And, after you typed it, what did you do  
with it?

A. I signed it and put it in the mail personally,  
with the proper postage on the envelope.

DQ-53 And addressed to whom?

A. And addressed to the Morton Manufacturing  
Company at Chicago, Illinois.

DQ-54 Did you afterwards receive from the  
Morton Manufacturing Company the 20 cases, 2,000,  
paper toilet seat covers, labeled with your trade-  
mark "Safe Way" and referred to in your order?

A. I received these 20,000 seat covers and that  
would mean 20 cases rather than the 2,000 which  
you mentioned.

DQ-55 Yes; 20,000, it should be.

A. Yes; that is right.

Mr. Westall: We offer in evidence, as Dunnell  
Exhibit I, the exhibit by the same lettering hereto-  
fore marked for identification.

## PURCHASE ORDER

**SANI-GARD SALES COMPANY**  
OF CALIFORNIA

1200 TITLE GUARANTEE BUILDING  
LOS ANGELES, CALIFORNIA

November 7 1933

Morton Mfg. Co.,  
Chicago, Ill.

ORDER No 224

SHIP TO US AT Los Angeles, Calif. % Los Angeles Photo Co.

Next JENAS will car to Los Angeles.

**FOR REG. NO. \_\_\_\_\_**  
**THESE NUMBERS MUST APPEAR ON**  
**YOUR INVOICE, EACH PACKAGE**  
**AND BILL OF LADING**

• ■. MISSISSIPPI W. L. 1940.

QUANTITY	MATERIAL AND DESCRIPTION	PRICE
20 M	SAFeway paper seat covers	2.40
<p>Specifications as per our letter this date.</p> <p>In the United States Patent Office Before the Examiner of Interferences.</p> <p>SAFeway Stores, Incorporated, Opposer, vs. Warren W. Dunnell, Applicant.</p> <p>Opp. No. 23,281.</p> <p>Dunnell Exhibit <u>9</u>, Deposition of <u>Warren W. Dunnell</u>, Los Angeles, California, September 12, 1944.</p> <p><u>Ross Reynolds</u> Notary Public.</p>		

**CONDITIONS:**

1. ACKNOWLEDGE RECEIPT OF THIS ORDER BY RETURN MAIL. ADVISING IF SHIPMENT WILL BE MADE ON DATES REQUESTED. THE RIGHT IS RESERVED TO CANCEL ALL OR ANY PART OF THIS ORDER IF NOT SHIPPED WITHIN TIME SPECIFIED.
2. ALL MATERIAL FURNISHED MUST CONFORM WITH OUR SPECIFICATIONS WHERE INDICATED. IF NOT FOUND IN ACCORDANCE, SHIPMENT WILL BE REJECTED AND HELD AT YOUR RISK AWAITING DISPOSITION. SHIPPER MUST PAY ALL TRANSPORTATION CHARGES BOTH WAYS, ON ALL REJECTED MATERIAL.
3. SEPARATE INVOICE FOR EACH ORDER MUST BE MAILED ON DAY OF SHIPMENT WITH SIGNED BILLS OF LADING SHOWING FULL ROUTING.
4. WE WILL NOT BE RESPONSIBLE FOR GOODS DELIVERED EXCEPT ON A PROPERLY AUTHORIZED PURCHASE ORDER.

**SANI-GARD SALES COMPANY**

**PURCHASING AGENT**



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-56 I place before you what purports to be an original invoice, dated December 9, 1933, of the Morton Manufacturing Company of Chicago, referring to your order No. 224, and its date, apparently misdated, is 11-9-33, for 20 cases of Safe Way paper seat covers at \$2.40, \$48, which I request the notary to mark for identification as Dunnell Exhibit J, and ask you if you recognize that document and when you first saw it.

A. I first saw this invoice within a few days after its date of December 9, 1933, on which date the goods were shipped to me, consisting of 20 cases or 20,000 Safe Way paper toilet seat covers:

DQ-57 I notice there appears to be a slight discrepancy in the date of Dunnell Exhibit I and the statement at the head of Dunnell Exhibit J for identification in that, while the order is correctly numbered, the date is 11-9-33, while your order appears to be November 7th. Can you explain that?

A. I can't explain it. I could only surmise that either the stenographer or whoever made out the Morton invoice made a mistake in specifying it as 11-9-33 instead of 11-7-33, or I may possibly may not have mailed this for two days after November 7, 1933, and may have changed the original to November 9, 1933, and didn't change this particular copy. That would be my only supposition which would cause that discrepancy.

Mr. Westall: We offer in evidence Dunnell Exhibit J for identification as Dunnell Exhibit J.





# MORTON MANUFACTURING COMPANY

5105-43 West Lake Street, Chicago, U. S. A.

CABLE ADDRESS—"Mormano," Chicago. Cables—A. B. C. 5th Edition, Bentley's, Lieber's.

CUSTOMER'S { Order No. and Date 224 11-9-33 Invoice Date 12-9-33  
 { Requisition No. Invoice No. 2894  
 { Contract No. Shipper's Order No. 2018-3

THIS COLUMN RESERVED FOR CUSTOMER'S USE

P. A. Invoice No.  
 Voucher No.

Shipped to same % Los Angeles Warehouse Company  
 Destination Los Angeles, California  
 Terms 2% 10 days net 30

CHECKED { With Order  
 { F. O. B. Point  
 { Price  
 { Calculations  
 { Transportation  
 { Trans. Charged Back

SANI-GARD SALES COMPANY OF CALIFORNIA  
 1200 TITLE GUARANTEE BUILDING  
 LOS ANGELES, CALIFORNIA

Date Shipped 12-9-33 From Chicago F. O. B. Chicago  
 Car Number and Initial Frt. Prepd. & Allwd.  
 How Shipped and Route Universal Carloading

DESCRIPTION	QUANTITY (SHOW UNIT)	PRICE PER UNIT	AMOUNT
Cases Safe-way Paper Covers	20	2.40	48.00
<p><i>Delivered by J. W. Dunnell in E. C.</i></p>			

Above Material Received 19 and is satisfactory. Signed Title

Charge Account Approved Approved

WE HEREBY GUARANTEE THAT THE GOODS COVERED BY THIS INVOICE WERE PRODUCED OR MANUFACTURED IN ACCORDANCE WITH THE FEDERAL CHILD LABOR ACT OF SEPTEMBER 1ST, 1916.

FORM NO. 52M 5M 4-33

AT 2826 BUSINESS UNICOR SYSTEMS, CHICAGO

MORTON MANUFACTURING

In the United States Patent Office  
 Before the Examiner of Interferences.

Safe-way Stores, Incorporated,  
 Opposer,  
 vs.  
 Warren W. Dunnell,  
 Applicant.

Opp. No. 23,281.

Dunnell Exhibit J, Deposition of Warren W. Dunnell  
 Los Angeles, California, September 12, 1944.

Notary Public.



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

DQ-58 Please state if you received the toilet seat covers ordered from the Morton Manufacturing Company and described in said invoice Dunnell Exhibit J.

A. Yes; I received those Safe Way paper toilet seat covers within a few days after the invoice date of December 9, 1933.

DQ-59 Were those seat covers marked or labeled with your trademark "Safe Way" as you had directed? A. They were.

DQ-60 Prior to your order No. 224, Dunnell Exhibit I, to the Morton Manufacturing Company, had the Morton Manufacturing Company or anyone else, to your knowledge, ever used the trademark "Safe Way" as applied to toilet seat covers?

A. They never had that I know of.

DQ-61 Who designed the toilet seat covers which you ordered from the Morton Manufacturing Company in your order Dunnell Exhibit I?

A. I did.

DQ-62 Has the toilet seat cover which you have sold under the trademark "Safe Way" been patented? A. It has.

DQ-63 I show you a copy of the specification and drawings of Dunnell patent No. 2,025,941, dated December 31, 1935, to W. W. Dunnell, for sanitary cover for toilet seats, and ask you if that is the patent to which you have referred, requesting the notary to mark said patent for identification as Dunnell Exhibit K. A. It is.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-64 Are you the owner of said patent marked for identification as Dunnell Exhibit K?

A. I am.

Mr. Westall: We offer in evidence the patent heretofore marked for identification as Dunnell Exhibit K as Dunnell Exhibit K.

DQ-65 You have heretofore testified, particularly referring to Dunnell Exhibits F and G, the order and letter, both of November 7, 1933, that you received from the Morton Manufacturing Company paper toilet seat cover cabinets labeled, under your directions, with the name "Safe Way." Please state what you did with these two cabinets.

A. I had ordered those two cabinets for sample purposes to be used in promoting the sale of my paper seat covers and dispensing cabinets with that name "Safe Way," and one of those cabinets I furnished to a paper jobber, the Zellerbach Paper Company of San Francisco, and the other cabinet I used to solicit business for the sale of my covers marked "Safe Way" and the cabinets marked also with the trademark "Safe Way."

DQ-66 Please state when you made a first sale of either of said cabinets, with paper toilet seat covers marked "Safe Way" therein.

A. I made my first sale of Safe Way paper toilet seat covers and Safe Way cabinets on December 12, 1933.

DQ-67 How do you happen to remember, after this length of time, that it was December 12, 1933, when you first sold toilet seat covers labeled with

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

your trademark "Safe Way" in a cabinet also labeled with the trademark "Safe Way," which cabinet was furnished by the Morton Manufacturing Company as you have testified?

A. This first sale was a very important transaction to me, it being my first sale of paper toilet seat covers and dispensing cabinets marked with the trademark "Safe Way," and it was therefore, naturally, impressed upon my mind. Also, I have refreshed my recollection with respect to that first sale by looking into my records, where I found a ledger sheet of the Wholesale Paper and Twine Company in Los Angeles which has an entry thereon which I can identify as being this sale of one Safe Way dispensing cabinet and 1,000 Safe Way paper seat covers. With my recollection so refreshed, I can be positive it was that date.

DQ-68 Have you kept books of account of your business in the sale of toilet seat covers under the fictitious name of Sani-Gard Sales Company and Sani-Gard Cover Company?

A. Yes; I have.

DQ-69 Who actually made the entries in such books? A. I did.

DQ-70 Please explain, briefly, how such records or books of account were kept, taking, if you wish, as a specific instance your account with the Wholesale Paper and Twine Company which you have just mentioned.

A. Well, the procedure was in the nature of a customer, whom I had probably solicited, sending

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

me their order in either one of two ways. If it was an order from an out-of-town customer, it would, naturally, come by means of a purchase order which they had sent to me in the mail. If it was a local customer here in Los Angeles, where I had my office, very frequently the procedure was to call my office on the phone and the order was taken over the phone either by me or, if I was not there, by a girl who I had taking care of my business through a so-called telephone service. Such transactions would be handled by means of a pencil memorandum being made of the customer's order. The goods would then be shipped or delivered and an invoice typed out, one original and one copy, and mailed to the customer, covering that sale. Then a copy of that transaction would be made from the invoice copy into or onto my regular ledger account for that particular customer.

DQ-71 Or from the order which you took if it wasn't an invoice?

A. We always made invoices for every transaction wherever any merchandise was sold.

DQ-72 What book would you make an entry in? Did you have a daybook or a journal?

A. No. For that particular type of transaction there was merely a copy of the transaction made onto a ledger sheet from the copy of the invoice.

DQ-73 I place before you what purports to be a loose-leaf ledger sheet headed "Wholesale Paper & Twine Co., 447 Commercial St., Los Angeles," the



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

first entry of which is "1933, Dec. 12, Folio 779, Debits, \$2.75, Balance, \$2.75," which I request the notary to mark for identification as Dunnell Exhibit L, and ask you to state whether or not that is your original ledger sheet of the account of the Wholesale Paper & Twine Company to which you have just referred.

A. That is the ledger sheet to which I have just referred.

DQ-74 Referring to Dunnell Exhibit L for identification, please state in whose handwriting are the entries on the sheet.

A. They are in my handwriting.

DQ-75 Please explain, briefly, the events which led up to the procedure of making the first entry on Dunnell Exhibit L for identification, reading, "1933, Dec. 12, Folio 779, Debits, \$2.75, Balance, \$2.75."

A. The procedure would have been and was to copy onto this ledger sheet from the copy of invoice, either on the same day of that invoice or a few days thereafter, this information which shows the date December 12, 1933, the invoice No. 779, and the amount of the invoice.

DQ-76 Does Folio 779 on Dunnell Exhibit L for identification indicate the invoice?

A. My invoice number.

DQ-77 And not the folio of any other book?

A. No; that doesn't refer to anything else.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-78 Can you produce invoice 779 last referred to? A. Do you mean the original?

DQ-79 The original.

A. I couldn't produce the original; no.

DQ-80 Or a copy of it?

A. No; I can't produce a copy of it.

DQ-81 What became of invoice 779 or the copy?

A. The original was mailed to the customer. The copy I do not have because it is such an old record. I have made a practice of keeping copies of my invoices for a period of at least three years but after that I have not kept them.

DQ-82 Is the Wholesale Paper & Twine Company now in existence?

A. I understand they are no longer in business.

DQ-83 How do you happen to be able, so long after the entry, to state positively what the item referred to in said ledger sheet Dunnell Exhibit L for identification relates to?

A. Because, as I testified before, this was my first sale of Safe Way paper toilet seat covers and cabinets, and this particular account, the Wholesale Paper & Twine Company, was also a new account with me: and I primarily secured them as a customer and an account because of my display and solicitation of their business with my new Safe Way paper toilet seat cover and Safe Way cabinet; and I can recognize that the price entered on the ledger sheet was for a quantity, as the price would indicate, which I can recall, and it very definitely is

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

for 1,000 Safe Way paper toilet seat covers and there was one Safe Way dispensing cabinet that I leased, with no charge.

DQ-84 Please state whether or not the Safe Way seat covers that were furnished with the cabinet were labeled with your mark "Safe Way," referring particularly to the transaction shown on Dunnell Exhibit L for identification.

A. Yes; those seat covers were marked with my trademark "Safe Way."

Mr. Westall: We offer in evidence, as Dunnell Exhibit L, the ledger sheet heretofore marked Dunnell Exhibit L for identification.



SHEET NO. \_\_\_\_\_  
 RATING \_\_\_\_\_  
 BUSINESS \_\_\_\_\_

NAME WHOLESALE PAPER & TWINE CO  
 ADDRESS 447 COMMERCIAL ST. LOS ANGELES.

ACCOUNT NO. \_\_\_\_\_

DATE 1433.

12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24

ITEMS

FOLIO	DEBIT	CREDIT	BALANCE
779	275		275
828	N.C.	270	
836	275		275
1001	300		
1003	300		300
1014	300		600
1165	270		

C/L 270

In the United States Patent Office  
 Before the Examiner of Interferences.

Safeway Stores, Incorporated,  
 Opposer,  
 vs.  
 Warren W. Dunham,  
 Applicant.

Opp. No. 23,281.

Dunham Exhibit, Deposition of Warren W. Dunham  
 Los Angeles, Calif., September 12, 1944.

W. R. Reynolds  
 Notary Public.

in 52.

NOTARY PUBLIC  
 DIVISION  
 JAMES CO





Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-85 What became of the other cabinet that you received from the Morton Manufacturing Company in compliance with your letter and order, Dunnell Exhibits F and G?

A. The other Safe Way cabinet I kept and used for soliciting business and used it for sales purposes as an exhibit of my product.

DQ-86 From the time of the first adoption and use of the trademark "Safe Way" as applied to toilet seat covers, have you continued uninterruptedly to the present time to sell said products under said trademark "Safe Way?"

A. Ever since my adoption and first use of the trademark "Safe Way" for paper toilet seat covers, I have continued to use it.

DQ-87 And since the time shown in Dunnell Exhibits F, G and I from whom have you procured cabinets and toilet seat covers marked with your trademark "Safe Way?"

A. I have procured them from a number of concerns, the Whedon Paper Converting Company, Morton and some others.

DQ-88 I place before you a paper ribbon with certain printing thereon in red, which I request the notary to mark for identification Dunnell Exhibit M, and ask you if that is a sample of the bands which you used as labels on your toilet seat covers and which you sold under the trademark "Safe Way" from the time of your first adoption

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

and use of said name, as you have heretofore testified.

A. These are the bands which I am using at the present time as a wrapper around 100 of my paper toilet seat covers which I sell under the trademark "Safe Way."

DQ-89 Please state how that compares with the band that you first used on toilet seat covers at the time of your first adoption and use.

A. The band which I first used would be similar in nature to this. There would be some change in the printing or in the copy of the printing. This one, for example, shows the patent number, which did not come into existence until 1935. But the bands used previous to that time were similar to this.

DQ-90 And from what time did you say that you used such bands similar to Dunnell Exhibit M for identification, as you have just described?

A. I have used this band since in 1936. The patent was granted on December 31, 1935, and, presumably, very shortly after that patent grant came to my notice, I started using bands of this type, with this type of printing.

DQ-91 And, up to 1936, or the date you have just mentioned, please state what kind of bands you used.

A. A band similar in nature and size and type to this band which is Exhibit M.

DQ-92 I notice that Dunnell Exhibit M for iden-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

tification contains the marking "Patent No. 2,025,941." Please state whether or not that was on the original bands, like Dunnell Exhibit M for identification, which you first used when you adopted the name "Safe Way."

A. No. As I have explained, the first bands would not have contained that notation.

Mr. Westall: We offer in evidence the band heretofore marked Dunnell Exhibit M for identification as Dunnell Exhibit M.

DQ-93 I place before you a light brown collapsed carton, carrying on each side certain printing in red, which I request the notary to mark for identification as Dunnell Exhibit N, and ask you if that is a carton in which you have inclosed and sold toilet seat covers such as you have heretofore described, labeled with the band Dunnell Exhibit M.

A. No; that is a carton in which I inclosed one Safe Way dispensing cabinet.

DQ-94 Please state how long you used cartons like and similar to Dunnell Exhibit N for identification for dispensing cabinets.

A. I used these probably for six or seven years.

Mr. Westall: We offer in evidence the collapsed carton, heretofore marked Dunnell Exhibit N for identification, as Dunnell Exhibit N.

(By agreement between counsel, a recess was taken, at the hour of 12:00 o'clock noon, to the hour of 2:00 o'clock p.m. of the same date.)

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

(Met pursuant to adjournment, at the hour of 2:00 o'clock p.m. on the same date and at the same place.)

DQ-95 In cabinets like and similar to those heretofore described as being inclosed in cartons like Dunnell Exhibit N, you inclosed toilet seat covers, did you not, labeled with the words "Safe Way?"

A. I also had a carton which I used to pack paper toilet seat covers in and that was also labeled "Safe Way."

DQ-96 I place before you a light brown collapsed carton, having certain printing, in red, on each of its four sides, which carton I request the notary to mark for identification Dunnell Exhibit O, and ask you if that is a sample of the form of carton in which you sold paper toilet seat covers, such as you have heretofore described, labeled with your trademark "Safe Way."

A. That is a carton which I am now using and have been using for packaging my Safe Way paper toilet seat covers and have had imprinted on the four sides of that carton the trademark "Safe Way."

DQ-97 And during what period have you used Dunnell Exhibit O for identification?

A. I have used this particular type and style of carton for quite a number of years. I have changed the style possibly somewhat from time to time but,

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

to all intents and purposes, the particular sample illustrates and shows how the packaging has been done over a period of years, ever since I started manufacturing Safe Way paper toilet seat covers and called them by the trade name "Safe Way."

Mr. Westall: We offer in evidence, as Dunnell Exhibit O, the carton heretofore marked for identification by said letter O.

DQ-98 I note that on Exhibits N and O, in the first of which your dispensing cabinet is inclosed, and in the second of which you sell toilet seat covers marked "Safe Way," \* \* you have prominently informed that the seat covers were manufactured by the Sani-Gard Cover Company. Please state how long you have continued to prominently display the origin of your seat covers either under the fictitious name of Sani-Gard Sales Company or Sani-Gard Cover Company and both.

Mr. Hoge: At this point may the record show the printing of the words "Sani-Gard Cover Company" is in letters very much smaller than the words "Safe Way?"

Mr. Westall: Yes; I think that sufficiently shows.

A. Ever since I have been selling and distributing paper seat covers with the trade name "Safe Way," I have marked them with the name "Safe Way" and also my fictitious firm name "Sani-Gard Sales Company" or, as I am doing at the present

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

time, with the name "Sani-Gard Cover Company, Los Angeles."

DQ-99 And I take it you have used the name "Sani-Gard Cover Company" on your packages of Safe Way since the time you adopted that fictitious name in 1936, is that correct?

A. That is correct.

DQ-100 And, prior to that time, is it correct to say that you used on such containers the name "Sani-Gard Sales Company?"

A. Yes; the carton in which the cabinets or the paper seat covers were packed, showing the trademark "Safe Way," was then designated as the Sani-Gard Sales Company as the source of manufacture.

DQ-101 How, if at all, have you advertised your products or product, toilet seat covers?

A. I have advertised them in a number of ways. One of the methods which I have used to develop considerable business has been to secure a listing in different paper directories which are published and distributed to paper jobbers and others interested in using paper products. Those are directories showing all kinds of different types of paper products and have sub-headings and listings under different paper items, among which are included paper toilet seat covers, and that listing would also show and has always shown my fictitious name of the Sani-Gard Sales Company or the Sani-Gard Cover Company, with the address in Los Angeles. Also, I have prepared circulars of one kind and another,



Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

sometimes circulars, which we call envelope stuffers, with an illustration and description of my product "Safe Way Paper Seat Covers," and sent those out in envelopes, and in my regular mailing I have also prepared letterheads showing my fictitious firm name "Sani-Gard Sales Company" or "Sani-Gard Cover Company," and in some instances those letterheads were made up in what we call a broadside form where there were supplemental pages to the letterhead and those supplemental pages illustrated and described the product "Safe Way Paper Toilet Seat Covers" and "Safe Way Cabinets." Then considerable advertising has been done by means of personal solicitation and furnishing samples whenever they have been asked for by inquiries that have come in by mail from prospective customers all over the country. I have used also in my business an invoice form which always has contained my name "Sani-Gard Sales Company" or "Sani-Gard Cover Company."

DQ-102 Referring specifically to the listings which you have mentioned, have you set forth in those lists your trademark "Safe Way" as applied to toilet seat covers or have you merely listed them as toilet seat covers?

A. In these directories I have merely listed my firm name as a source of supply for paper toilet seat covers and the particular trade name "Safe Way" has not been mentioned.



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-103 When, by reason of such advertising or otherwise, you were contacted regarding the possible sale of toilet seat covers, how and in what manner, if at all, did you inform the prospective customers of your trademark "Safe Way" as applied to said seat covers?

A. That was by answering such inquiries as came in the mail, generally speaking, by writing a letter and enclosing literature illustrating and describing my product "Safe Way" toilet seat covers.

DQ-104 I place before you a blank letterhead purporting to be of the Sani-Gard Cover Company, carrying on its back an advertising description of Safe Way cabinets and covers, which I request the notary to mark for identification as Dunnell Exhibit P, and ask you if you can identify that paper.

A. Yes; this is one of my letterheads which contains an illustration and description of my Safe Way paper toilet seat covers and cabinets.

DQ-105 Referring to the advertising on the back advertising the name "Safe Way," how long have you continued to use that form of advertising on the letterheads of the Sani-Gard Cover Company or the previous company, the Sani-Gard Sales Company?

A. I believe this particular letterhead here was made up some time in 1939, shortly after I acquired this address of 3101 Pasadena Avenue, and I have been using it ever since.

DQ-106 Had you ever used that particular method before that time, with the description on

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

the back of it, referring to Dunnell Exhibit P for identification?

A. Yes; I have used that at other times.

DQ-107 Since when or during what time?

A. I should say, since 1934 or 1935, in this particular way I have had letterheads with advertising literature made up.

DQ-108 From the time of your first adoption of the name "Safe Way" as applied to toilet seat covers, have you had a letterhead in which you prominently displayed the name Sani-Gard Cover Company or, prior to the adoption of that name, the Sani-Gard Sales Company?

A. Yes; I have.

Mr. Westall: We offer Dunnell Exhibit P for identification in evidence as Dunnell Exhibit P.

Mr. Hoge: May I ask, counsel, if I may be furnished with two copies of this various advertising matter and labels except the wrapper which Mr. Dunnell has already furnished me?

Mr. Westall: I think we can do that; yes.

A. Yes; we can do that.

DQ-109 How extensively has "Sani-Gard" as a part of your fictitious name become known in local and interstate commerce?

A. It has become known rather extensively because I have been selling and am now selling and have been selling for some years Safe Way paper toilet seat covers throughout the United States and

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)  
in foreign countries under the name of Sani-Gard Sales Company and Sani-Gard Cover Company.

DQ-110 In what manner, if at all, had the name "Sani-Gard" in connection with your business or organization become known in connection with the sale of toilet seat covers prior to your adoption of the trademark "Safe Way?"

A. Prior to that, I had been selling a seat cover which I had branded with the trade name "Sani-Gard," the same as my fictitious firm name, and had been selling and distributing those paper seat covers for a couple of years before I started in to market paper toilet seat covers which I marked "Safe Way" as the result of having adopted and used that name in 1933.

DQ-111 When did you use the word "Sani-Gard," during what time?

A. 1931 and 1932 and for possibly two or three years more.

DQ-112 During all the time that you have been in the business of selling toilet seat covers under the name "Safe Way" as you have described, have any of your prospective customers or anyone else ever mistaken the source of such Safe Way toilet seat covers as being from the opposer in this case, the Safeway Stores, Incorporated?

Mr. Hoge: I object to that as calling for a conclusion of the witness.

Q. (By Mr. Westall): I mean so far as your knowledge goes, so far as you know.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

Mr. Hoge: The same objection.

A. So far as I know, there has never been any mistake with reference to my covers having come from anyone other than my concern, the Sani-Gard Sales Company or the Sani-Gard Cover Company.

DQ-113 (By Mr. Westall): Has any instance ever come to your knowledge of anyone ever mistaking the source of your toilet seat covers under the trademark "Safe Way" as being the opposer's in this case, Safeway Stores, Incorporated?

Mr. Hoge: I object to that on the same ground, that it calls for a conclusion.

A. No.

DQ-114 (By Mr. Westall): When and how extensively have you used the trademark "Safe Way" as applied to toilet seat covers in interstate commerce or in commerce with foreign countries or in foreign commerce?

A. It has become used rather extensively throughout the United States and in foreign countries as a result of my promotion of the sale. The volume, of course, with respect to sales was small to start with in 1933 but continually from that date on, in 1934 and 1935, the volume of sales for the Safe Way seat covers in interstate commerce throughout the United States and the territorial possessions of this country and foreign countries has grown considerably up to the present time.

DQ-115 Have you prepared a tabulation showing the extent of your sales of toilet seat covers

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

under the trade name "Safe Way", as well as other seat covers under other names, in various States of the Union and also in territorial possessions and foreign countries?

A. Yes; I made a copy off of my records of the sales for my Sani-Gard and Vend-Gard paper seat covers as well as my Safe Way paper toilet seat covers.

DQ-116 I place before you four sheets of white paper tabulations, each sheet headed "Paper toilet seat covers", which I request the notary to mark for identification as Dunnell Exhibit Q, and ask you if that is the tabulation to which you have just referred.

A. Yes; this is the tabulation.

DQ-117 Please state, briefly, how and from what date such tabulation, Dunnell Exhibit Q for identification, was prepared.

A. It was prepared by going over my sales records which have been kept to show the volume of sales for the different kinds of seat covers by States and foreign countries, if any. The tabulation was taken from all of the necessary records to acquire this information as to the time and place of shipment and sale and the volume of such sale.

DQ-118 Does the tabulation Dunnell Exhibit Q for identification represent accurately the data as set forth therein? A. It does.

DQ-119 And the books and records from which

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

said data were taken, as I understand you, were made solely by yourself?

A. Yes; I kept all of the records.

DQ-120 I notice that on Dunnell Exhibit Q for identification, on page 1, you have headed the tabulated matter with the name "Sani Gard" and "Vend Gard" and "Safe Way". Please explain the significance of such headings.

A. Those represent the brand names for three different types of paper toilet seat covers, one of them called Sani Gard, one of them called Vend Gard, and one of them called Safe Way.

DQ-121 On page 4 of Dunnell Exhibit Q for identification the sub-heading referred to is only "Safe Way". Please explain the omission of the other headings above referred to and shown on previous sheets.

A. I discontinued the sale of the other two.

DQ-122 Still referring to Dunnell Exhibit Q for identification, please explain fully the year dates, lists of States and countries, and the figures of the tabulation.

A. The tabulation is made up by years, starting, first, with the year 1931 and, under 1931, is shown the State name, California. Opposite California is shown the figure 120,000. That would represent my sales of 120,000 Sani-Gard paper toilet seat covers in the State of California during the year 1931. Then, with respect to the year 1932, there is a listing of States, California, Oregon, Wash-



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

ington, Idaho, Nevada, Utah and Arizona, and opposite each one of those names is a figure which represents the number in thousands of seat covers under the brand name "Sani-Gard" that were sold during that year 1932. Going on with the tabulation, further explanation is similar to that. For example, in 1933, we have listed a number of States and the quantity shown under the name "Sani Gard" and also the quantity shown under the name "Vend Gard" and also under the name "Safe Way", and those quantities are listed opposite each State and represent the quantity of that particular brand of seat cover sold in that particular State during the particular year in which that group is included. The same thing applies to 1934, to 1935 and to 1936, all on page 1. On page 2 there are two years, 1937 and 1938, and, under each of the columns "Sani Gard" and "Safe Way" is shown the quantity of seat covers of either brand, Sani Gard or Safe Way, that were sold in the different States, territories or countries listed. The same thing will apply for the years 1939 and 1940 on page 3 and the same thing will apply for the year 1941 shown on page 4.

DQ-123 So, for instance, when, on the first page of Dunnell Exhibit Q for identification, there appears "1934, California", and you list 510,000 under the heading "Safe Way", that means that during that year you sold 510,000 individual Safe Way seat covers in California, is that correct?

A. That is correct; yes.



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

Mr. Westall: We offer in evidence Dunnell Exhibit Q for identification as Dunnell Exhibit Q.

### DUNNELL EXHIBIT Q

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Deposition of Warren W. Dunnell, Los Angeles,  
California, September 12, 1944. /s/ Ross Reynolds, Notary Public.

		Paper Toilet Seat Covers		
1931		Sani Gard	Vend Gard	Safe Way
	California .....	120,000	.....	.....
1932				
	California .....	618,000	.....	.....
	Oregon .....	140,000	.....	.....
	Washington .....	25,000	.....	.....
	Idaho .....	5,000	.....	.....
	Nevada .....	5,000	.....	.....
	Utah .....	10,000	.....	.....
	Arizona .....	15,000	.....	.....
1933				
	California .....	2,100,000	22,000	1,000
	Oregon .....	300,000	.....	.....

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

		Paper Toilet Seat Covers	
	Sani Gard	Vend Gard	Safe Way
1933			
Washington .....	250,000	.....	.....
Idaho .....	20,000	.....	.....
Nevada .....	40,000	.....	.....
Utah .....	60,000	.....	.....
Arizona .....	78,000	.....	.....
1934			
California .....	2,300,000	101,000	510,000
Oregon .....	900,000	.....	90,000
Washington .....	100,000	.....	40,000
Idaho .....	8,000	.....	.....
Nevada .....	10,000	.....	.....
Utah .....	10,000	.....	.....
Arizona .....	20,000	.....	20,000
1935			
California .....	2,100,000	32,000	1,630,000
Oregon .....	946,000	.....	800,000
Washington .....	100,000	.....	250,000
Idaho .....	.....	.....	10,000
Nevada .....	20,000	.....	20,000
Utah .....	10,000	.....	50,000
Arizona .....	10,000	.....	30,000
Illinois .....	100,000	.....	11,000
Hawaii .....	.....	.....	50,000
1936			
California .....	1,432,000	.....	5,252,000
Oregon .....	150,000	.....	1,350,000
Washington .....	50,000	.....	350,000
Idaho .....	5,000	.....	10,000
Nevada .....	10,000	.....	20,000
Utah .....	5,000	.....	120,000
Arizona .....	5,000	.....	50,000
Hawaii .....	.....	.....	30,000
1937			
California .....	950,000	.....	5,879,000
Oregon .....	100,000	.....	2,200,000
Washington .....	110,000	.....	1,250,000
Idaho .....	.....	.....	20,000
Nevada .....	.....	.....	30,000

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

	Paper Toilet Seat Covers		
	Sani Gard	Vend Gard	Safe Way
1937			
Utah .....	.....	.....	200,000
Arizona .....	.....	.....	100,000
Hawaii .....	.....	.....	250,000
Texas .....	.....	.....	50,000
Colorado .....	.....	.....	20,000
New Mexico.....	.....	.....	10,000
Montana .....	.....	.....	50,000
Kansas .....	.....	.....	30,000
Arkansas .....	.....	.....	10,000
1938			
California .....	97,000	.....	6,390,000
Oregon .....	.....	.....	2,400,000
Washington .....	.....	.....	800,000
Idaho .....	.....	.....	50,000
Utah .....	.....	.....	100,000
Arizona .....	.....	.....	150,000
Florida .....	.....	.....	50,000
Colorado .....	.....	.....	100,000
Missouri .....	.....	.....	50,000
Montana .....	.....	.....	150,000
Oklahoma .....	.....	.....	50,000
New York .....	.....	.....	50,000
Indiana .....	.....	.....	25,000
Massachusetts .....	.....	.....	25,000
Kentucky .....	.....	.....	10,000
Illinois .....	.....	.....	100,000
Pennsylvania .....	.....	.....	50,000
New Jersey .....	.....	.....	50,000
Texas .....	.....	.....	100,000
Tennessee .....	.....	.....	50,000
West Virginia .....	.....	.....	50,000
Iowa .....	.....	.....	100,000
Ohio .....	.....	.....	150,000
Maryland .....	.....	.....	50,000
Minnesota .....	.....	.....	150,000
Hawaii .....	.....	.....	250,000
Canada .....	.....	.....	100,000
South America .....	.....	.....	20,000

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

	Paper Toilet Seat Covers	
	Sani Gard	Vend Gard
1939		Safe Way
California .....	25,000	6,171,000
Oregon .....	.....	1,050,000
Washington .....	.....	850,000
Idaho .....	.....	50,000
Utah .....	.....	100,000
Arizona .....	.....	175,000
Florida .....	.....	40,000
Colorado .....	.....	75,000
Missouri .....	.....	50,000
Montana .....	.....	100,000
Oklahoma .....	.....	50,000
New York .....	.....	60,000
Indiana .....	.....	30,000
Massachusetts .....	.....	40,000
Kentucky .....	.....	.....
Illinois .....	.....	120,000
Pennsylvania .....	.....	.....
New Jersey .....	.....	60,000
Texas .....	.....	120,000
Tennessee .....	.....	50,000
West Virginia .....	.....	50,000
Iowa .....	.....	110,000
Ohio .....	.....	160,000
Maryland .....	.....	50,000
Minnesota .....	.....	200,000
Hawaii .....	.....	300,000
Canada .....	.....	50,000
South America .....	.....	.....
1940		
California .....	.....	7,033,000
Oregon .....	.....	2,125,000
Washington .....	.....	750,000
Idaho .....	.....	60,000
Utah .....	.....	110,000
Arizona .....	.....	190,000
Florida .....	.....	50,000
Colorado .....	.....	80,000
Missouri .....	.....	50,000

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

	Paper Toilet Seat Covers		
	Sani Gard	Vend Gard	Safe Way
1940			
Montana .....	.....	.....	110,000
Oklahoma .....	.....	.....	50,000
New York .....	.....	.....	70,000
Indiana .....	.....	.....	50,000
Massachusetts .....	.....	.....	50,000
Kentucky .....	.....	.....	10,000
Illinois .....	.....	.....	150,000
Pennsylvania .....	.....	.....	20,000
New Jersey .....	.....	.....	50,000
Texas .....	.....	.....	200,000
Tennessee .....	.....	.....	50,000
West Virginia .....	.....	.....	.....
Iowa .....	.....	.....	100,000
Ohio .....	.....	.....	150,000
Maryland .....	.....	.....	50,000
Minnesota .....	.....	.....	250,000
Hawaii .....	.....	.....	400,000
South Dakota .....	.....	.....	.....
Canada .....	.....	.....	.....
Michigan .....	.....	.....	50,000
1941			
California .....	.....	.....	11,215,000
Oregon .....	.....	.....	1,950,000
Washington .....	.....	.....	870,000
Idaho .....	.....	.....	50,000
Utah .....	.....	.....	250,000
Arizona .....	.....	.....	300,000
Florida .....	.....	.....	.....
Colorado .....	.....	.....	220,000
Missouri .....	.....	.....	150,000
Montana .....	.....	.....	170,000
Oklahoma .....	.....	.....	100,000
New York .....	.....	.....	120,000
Indiana .....	.....	.....	100,000
Massachusetts .....	.....	.....	.....
Kentucky .....	.....	.....	.....
Illinois .....	.....	.....	350,000
Pennsylvania .....	.....	.....	50,000

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dummell.)

1941	Paper Toilet Seat Covers		
	Sani Gard	Vend Gard	Safe Way
New Jersey .....	.....	.....	50,000
Texas .....	.....	.....	870,000
Tennessee .....	.....	.....	.....
West Virginia .....	.....	.....	.....
Iowa .....	.....	.....	50,000
Ohio .....	.....	.....	250,000
Maryland .....	.....	.....	100,000
Minnesota .....	.....	.....	550,000
Hawaii .....	.....	.....	850,000
South Dakota .....	.....	.....	10,000
Michigan .....	.....	.....	100,000
Wisconsin .....	.....	.....	60,000

Docket Division, Oct. 19, 1944, U. S. Patent Office.

Mr. Hoge: May I have three copies of that?

Mr. Westall: We don't have them but we have a stipulation that, before the testimony is sent away, if any photostatic copy is needed, either side will have an opportunity to get photostatic copies of the other's exhibits at their own cost.

DQ-124 Please explain, briefly, the kind and character of the various purchasers for use of your toilet seat covers sold by you under the trademark "Safe Way" since your first adoption and use of said trademark as you have testified.

A. My Safe Way paper seat covers have been sold to gasoline service stations, hotels, restaurants, office buildings, industrial plants and motion picture studios and in fact to many types of business that operate a public restroom.

DQ-125 Such as railroad companies or municipalities?



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. Wherever an industry or a business operates a public restroom, whether it is a railroad or a steamship line or a bus lines that has station terminals or whether it is a newspaper building that publishes newspapers, they are all types of concerns to whom I have sold toilet seat covers under the name "Safe Way".

. DQ-126 How have the purchasers just referred to by you distributed said seat covers to the general public under your trademark "Safe Way" or any other trademark to which you have referred?

A. They have distributed them by installing our dispensing cabinets in the toilet stalls of their public restrooms into which the pad or package of paper toilet seat covers is inserted for dispensing, and the public that use those restrooms go into the stall and procure for their own use, without any charge, a paper toilet seat cover out of the dispensary and use it as it is generally used.

DQ-127 Have such toilet seat covers, under the trademark "Safe Way" or under any other trademarks which you have mentioned, to your knowledge, been sold by grocery stores, chain stores, drug stores or wholesale or retail stores of any kind for direct distribution to private users or the public generally?

A. I have never sold my seat covers in that way.

DQ-128 What has been the nature and extent of your experience in finding a market for the sale of your toilet seat covers under any trademark?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. My experience has been rather extensive. I started in this business in 1931 and have devoted all of my time and attention to the development of my business in that line ever since, which has involved calling on many and different kinds of prospects and making trips all over the United States, such as to New York and Chicago, in the promotion of my product. I have gone into all lines and phases of the business, manufacturing, selling direct to consumers, and selling to jobbers, and I have even installed dispensing cabinets in restrooms to dispense the covers. So that I should say I have given every consideration to all types and classes of outlets for a product of this kind. Of course, it has been my endeavor to develop and increase my business at any and all times so that I have tried not to overlook any and all prospects and possibilities to sell my product extensively throughout the country.

DQ-129 Have you ever considered the feasibility of selling said toilet seat covers, labeled with the trademark "Safe Way" or with any other trademark, to the general public through retail or wholesale stores, such as grocery stores, drug stores, general stores or otherwise?

A. Yes; I have given it consideration, of course.

DQ-130 And what is your opinion as to the feasibility of distributing toilet seat covers to the stores mentioned in the last question or others or to the general public for use, for instance, in private homes?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. As a result of my efforts and investigation into the possibility of selling my Safe Way seat covers in that way, I have contacted that type of concern, such as chain stores and grocery stores, but my efforts have always been repulsed due to the reaction that they were not suitable for sale in that type of stores; and, even though my efforts have been taken along those lines, I have never been able to find that as a satisfactory outlet for my particular product, the Safe Way paper toilet seat covers.

DQ-131 Can you give any specific instance where you approached any chain stores, drug stores, grocery stores or other private distributors to the general public, on the subject of purchasing your toilet seat covers under the name "Safe Way" or under any other trade name or without any name and, if so, please explain how you made such approach?

A. A couple of months ago I wrote a few circular letters to a number of chain stores, the A & P grocery stores, the Safeway grocery stores, S. H. Kress & Company and F. W. Woolworth & Company.

DQ-132 And with what result?

A. Those letters were sent with the idea of seeing if I had been overlooking any possibilities in respect to sales to outlets of that kind and I didn't have any satisfactory results at all. The only replies I had were negative.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-133 I now place before you what purports to be a letter, dated June 19, 1944, on the letterhead of Sani-Gard Cover Company, and directed to S. H. Kress & Company, Los Angeles, California, and signed "Warren Dunnell", and ask the notary to mark the same for identification as Dunnell Exhibit R, and ask you to state if that is one of the letters which you have just referred to as having been sent by you.

A. Yes; this is one of the letters I referred to.

DQ-134 Who actually typed Dunnell Exhibit R for identification? A. I did.

DQ-135 Was that the original letter that you sent to Kress & Company?

A. That is the original letter I sent; yes.

DQ-136 And who signed the letter Dunnell Exhibit R?

A. I signed the letter that was addressed to them and the original was returned to me signed as "S. H. Kress & Co., C. M. Williams, Manager, 6/20/44."

DQ-137 After writing the letter Dunnell Exhibit R, please state whether or not you mailed it to the addressee.

A. I did; I mailed it in the regular way, with postage, in the regular United States mails.

DQ-138 After mailing the letter Dunnell Exhibit R for identification as you have just described, please explain what next happened to the letter.

A. The letter was received by me in the mail

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)  
with the notation shown on the bottom of it and  
signed "S. H. Kress & Co., C. M. Williams, Mgr."

Mr. Westall: We offer in evidence Dunnell Exhibit R for identification as Dunnell Exhibit R.

DUNNELL EXHIBIT R

In the United States Patent Office Before  
the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Deposition of Warren W. Dunnell, Los Angeles,  
Calif., September 12, 1944. /s/ Ross Reynolds,  
Notary Public.

[Letterhead]: Sani-Gard Cover Company.  
June 19, 1944

S. H. Kress & Co.,  
621 So. Broadway,  
Los Angeles, Calif.

Gentlemen:

We are manufacturers of sanitary paper toilet  
seat covers.

Before taking up your time with details of a sales

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

proposition, we should like to inquire if you would consider our product as suitable for merchandising to the public in your stores?

Your ideas in this respect at your convenience will be much appreciated.

Yours very truly,

/s/ WARREN DUNNELL.

Our opinion is there would not be enuf volume in the above item to warrant handling.

S. H. KRESS & CO.,

/s/ C. M. WILLIAMS, Mgr.

6/20/44.

I here remind counsel for opposer that there was served with the notice of taking of these depositions a notice to produce a certain letter, dated on or about June 19, 1944, directed to Safeway Stores, Incorporated, Los Angeles, California, and signed by Warren Dunnell, offering toilet seat covers for sale to Safeway Stores, Incorporated, and I ask counsel if he has produced the original letter on behalf of opposer.

Mr. Hoge: I now hand you two original letters from Warren W. Dunnell to Safeway Stores, Incorporated and a copy of the reply dated June 29, 1944.

DQ-139 (By Mr. Westall): I now place before you what purports to be a letter, on the letterhead of the Sani-Gard Cover Company, dated June 19,

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)  
1944, directed to Safeway Stores, Inc., 1925 East  
Vernon Ave., Vernon, Calif.” and signed “Warren  
Dunnell”, and I ask the notary to mark said letter  
for identification as Dunnell Exhibit S, and ask  
you if that is one of the letters which you referred  
to as having been sent.       A. It is.

DQ-140 Is that a letter that you sent to the  
addressee mentioned in Dunnell Exhibit S for iden-  
tification?       A. It is.

Mr. Westall: We offer in evidence Dunnell Ex-  
hibit S for identification as Dunnell Exhibit S.

### DUNNELL EXHIBIT S

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Deposition of Warren W. Dunnell, Los Angeles,  
Calif., September 12, 1944. /s/ Ross Reynolds,  
Notary Public.



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

Docket Division, U. S. Patent Office, Oct. 19, 1944.

[Letterhead Sani-Gard Cover Company]

June 19 1944

Safeway Stores Inc.,  
1925 East Vernon Ave.,  
Vernon, Calif.

Gentlemen:

We are manufacturers of sanitary paper toilet seat covers.

Before taking up your time with details of a sales proposition, we should like to inquire if you would consider our product as suitable for merchandising to the public in your stores?

Your ideas in this respect at your convenience will will be much appreciated.

Yours very truly,

/s/ WARREN DUNNELL.

The record should show that Dunnell Exhibit S in evidence is one of the letters that was produced on behalf of opposer in response to our notice to produce.

DQ-141 I now place before you a second letter, produced on behalf of the opposer in response to our notice to produce, on the letterhead of Sani-Gard Cover Company, and directed to Safeway Stores, Inc., 1925 East Vernon Avenue, Vernon, California, and signed "Warren Dunnell," and ask you if that is one of the letters to which you have

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

heretofore referred as having been mailed by you.

A. It is.

Mr. Westall: The notary will kindly mark the letter just referred to as Dunnell Exhibit T for identification.

DUNNELL EXHIBIT T

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,

Opposer,

vs.

WARREN W. DUNNELL,

Applicant.

Deposition of Warren W. Dunnell, Los Angeles,  
Calif., September 12, 1944. /s/ Ross Reynolds,  
Notary Public.

Docket Division, U. S. Patent Office, Oct. 19, 1944.

[Letterhead Sani-Gard Cover Company]

Safeway Stores Inc.,  
1925 East Vernon Ave.,  
Vernon, Calif.

Gentlemen:

A few days ago we wrote you asking if, in your opinion, our product of paper toilet seat covers would be suitable for merchandising to the public in your stores.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

I have been a customer of yours for some years, so I thought I might take the liberty of asking your advice in this respect.

A reply would be appreciated.

Yours very sincerely,

/s/ WARREN DUNNELL.

DQ-142 That is your signature appended to the letter, is it not, "Warren Dunnell," referring to Dunnell Exhibit T for identification?

A. It is.

Mr. Westall: We offer in evidence the letter Dunnell Exhibit T for identification as Dunnell Exhibit T.

DQ-143 I place before you what purports to be a letter on the letterhead of Safeway Stores, Inc., 1925 East Vernon Avenue, Los Angeles, California, dated June 29, 1944, and addressed to Sani-Gard Co., and signed "J. B. A. Brennan, Purchasing Department," and ask you if that is an original letter which you received through the mail from Safeway Stores, Incorporated, at or about the time of its date.

A. This is the original letter that I received from Safeway Stores on or about the date of June 29, 1944.

Mr. Westall: We offer the letter last identified by the witness in evidence as Dunnell Exhibit U.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DUNNELL EXHIBIT U

In the United States Patent Office  
Before the Examiner of Interferences

Opp. No. 23,281

SAFEWAY STORES, INCORPORATED,  
Opposer,

vs.

WARREN W. DUNNELL,  
Applicant.

Deposition of Warren W. Dunnell, Los Angeles,  
Calif., September 12, 1944. /s/ Ross Reynolds,  
Notary Public.

Docket Division, U. S. Patent Office, Oct. 19, 1944.

[Letterhead Safeway Stores]

Sani-Gard Co.,  
3101 Pasadena Ave.,  
Los Angeles, 31, Calif.

June 29, 1944

Gentlemen:

We thank you for your letter offering us paper toilet seat covers, and we regret to advise that up to the present time we have not approved of such an item for resale in our Stores.

Should our policy in this regard change at any

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

time in the future, we shall be happy to discuss the matter with you.

Yours very truly,

SAFEWAY STORES,  
INCORPORATED,  
/s/ J. B. A. BRENNAN,  
Purchasing Department.

I here give notice, under Patent Office Rule 154(e), to counsel for opposer, that I will use at the hearing of this opposition proceeding as a printed publication or official record of the Patent Office, as evidence on behalf of Applicant Dunnell herein, the file wrapper and contents, the specification, drawings and registration, of Trademark 329,627, by the Morton Manufacturing Company of Chicago, Illinois, registered November 5, 1935, of the trademark "Safe-Way" as applied to metal cabinets for paper toilet seat covers, a printed copy of a statement of which furnished by the Patent Office I here produce and ask the notary to mark for identification as Dunnell Exhibit V.

DQ-144 I place before you Dunnell Exhibit V for identification and ask you to state whether or not if you know the Morton Company of Chicago, Illinois, mentioned therein, is the same company to which you have heretofore referred as having furnished you Safe Way toilet seat covers and Safe Way cabinets?      A. It is the same.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-145 Still referring to Dunnell Exhibit V for identification, please state if you know when and under what circumstances the Morton Manufacturing Company of Chicago, mentioned in said Exhibit V for identification, first applied the name "Safe Way" to metal cabinets for paper toilet seat covers.

A. They first applied it on paper toilet seat cover dispensing cabinets when I sent them my orders, the first order being No. 216, which cabinets were made and labeled with the name "Safe Way" at my direction.

DQ-146 In referring to Order No. 216, you are referring to Dunnell Exhibit F for two Safe Way seat cover cabinets (wall type), are you not?

A. That is correct.

DQ-147 And which you say were furnished to you?

A. They were.

Mr. Westall: We offer Dunnell Exhibit V for identification in evidence as Dunnell Exhibit V, also relying upon the notice of reliance upon official records and publications of the Patent Office as heretofore stated.

DQ-148 I notice in Dunnell Exhibit V it is stated that the name "Safe-Way" is for metal cabinets for paper toilet seat covers. Please state if you know for whose toilet seat covers such cabinets were made.

A. They were made for my Safe Way paper toilet seat covers.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

DQ-149 Do you know John H. Mengler, the witness who just preceded you in giving his deposition in this proceeding? A. I do.

DQ-150 When and under what circumstances did you first become acquainted with the said John H. Mengler?

A. It was in December, 1933 when I approached the Whedon Paper Converting Corporation with respect to their manufacturing and converting Safe Way paper toilet seat covers for me.

DQ-151 You were present and heard the testimony of John H. Mengler, were you not?

A. I was.

DQ-152 Please state whether or not you agree with the statements given by John H. Mengler during the course of his examination in this proceeding.

A. I do.

DQ-153 Is John H. Mengler interested in any manner in your business of the sale of paper toilet seat covers under the trademark "Safe Way" or has he ever been so interested?

A. He is interested to the extent of having his small shop in connection with my factory and, in my absence from the factory, he takes care of certain details of my business.

DQ-154 Does he individually run his own shop?

A. He does.

DQ-155 Please state whether or not John H. Mengler has ever had an opportunity to observe the nature and extent of your business in the sale of



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

paper toilet seat covers labeled with the trademark "Safe Way," explaining your answer fully.

Mr. Hogue: I object to that on the ground it calls for a conclusion and on the further ground testimony has already been given by Mr. Mengler himself.

Mr. Westall: It is merely corroboration.

A. Having his shop in the same location with my factory, he has, of course, had the very best of opportunities to observe my manufacturing operations and my shipping operations and particularly with respect to handling certain parts of my business when I was not there, such as inquiries that came in, phone calls, shipments and so forth.

Mr. Westall: I here give notice to counsel for opposer, under Patent Office Rule 154(e), that I will use at the hearing of this opposition proceeding, as printed publications or official records of the Patent Office and as evidence on behalf of Applicant Dunnell herein, the specification, drawings and registration of each of the trademark applications and registrations which I now list. A copy of the statement of each of said registrations furnished by the Patent Office will also, for the sake of clarity, be offered in evidence.

These listed trademark statements are all offered in evidence as Dunnell Exhibits W-1 to W-16 inclusive, in the order of their listing.

Mr. Hoge: They are objected to on the ground they are irrelevant and immaterial.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

Mr. Westall: They are as follows:

Exhibit W-1, Trademark 346,868, registered June 8, 1937, to the Uecker Equipment Company;

Exhibit W-2, Trademark 403,449, registered September 28, 1943, to Southern Independent Oil and Refining Company;

Exhibit W-3, Trademark 196,097, registered March 10, 1925, to American Motor Body Corporation;

Exhibit W-4, Trademark 213,022, registered May 18, 1926, to Modern Office Devices, Inc., of New York;

Exhibit W-5, Trademark 261,352, registered September 17, 1929, to Herman Pintel, doing business as Arlington Products Co.;

Exhibit W-6, Trademark 262,413, registered October 8, 1929, to Elgin Rowland Parker, doing business as Merit Manufacturing Co., of Los Angeles, California;

Exhibit W-7, Trademark 268,138, registered March 11, 1930, to Frank J. Quigan, Inc.;

Exhibit W-8, Trademark, 271,445, registered June 3, 1930, to Safeway Sales Corporation, of Boston, Massachusetts;

Exhibit W-9, Trademark 285,750, registered August 4, 1931, to the Logan-Long Company;

Exhibit W-10, Trademark 287,569, registered September 29, 1931, to Dean Rubber Manufacturing Company;

Exhibit W-11, Trademark 306,075, registered

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

September 5, 1933, by Alexander J. Forbes, doing business as Safeway Laboratories, Oakland, California;

Exhibit W-12, Trademark 324,981, registered June 4, 1935, by Clopay Corporation;

Exhibit W-13, Trademark 330,655, registered December 10, 1935, to Robert M. Culley, doing business as Safeway Tire Patch Manufacturing Company, South Gate, California;

Exhibit W-14, Trademark 333,604, registered March 31, 1936, to Rein A. Uecker, Inc.;

Exhibit W-15, Trademark 341,742, registered December 22, 1936, to Safeway Products Corporation, New York, N. Y., and

Exhibit W-16, Trademark 344,871, registered April 6, 1937, to Western Containers, Inc.

You may cross-examine.

#### Cross-Examination

By Mr. Hoge:

XQ-156 Mr. Dunnell, referring to Dunnell Exhibits W-1 to -16, inclusive, at the time you adopted the trademark "Safe Way" for your product, had you ever heard of any of these other concerns or their use of the name "Safe Way?"

A. No; I had not.

XQ-157 You had heard, however, or did know of a grocery business being conducted under the name of Safeway?

A. Not at that particular time in 1933, when I first adopted and used that name.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

XQ-158 You didn't know at that time that there was a grocery company in Los Angeles operating under the name of Safeway or Safeway Stores?

A. I wouldn't know that there was; no.

XQ-159 You had never patronized any of those stores?

A. Oh, yes; I have. In recent years, I have bought many items of groceries and taken them home from Safeway Stores.

XQ-160 But you hadn't in 1933 or prior thereto?

A. I don't recall; no.

XQ-161 You may have done so?

A. I might have if there were such concerns in existence at that time, but I don't remember if there were in Los Angeles.

XQ-162 You can't say whether or not you had?

A. I would say that I don't recall of ever having done it; no.

XQ-163 Mr. Dunnell, you say you agree with the testimony of Mr. Mengler. Do you recall that he said that all the cartons were marked with the name "Safe Way"? A. Yes.

XQ-164 That is not correct, is it?

A. Yes; that is correct. We marked them with a rubber stamp, I believe, the very first cartons, which was more or less a very temporary proposition. Just when we were getting started, we marked them and packed them in that way.

XQ-165 Doesn't your tabulation show you were still selling at that time and for several years after

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

that, that is, 1933 and several years after that, paper covers under the name of "Sani-Gard"?

A. Yes.

XQ-166 Were those boxes marked "Safe Way" also or "Sani-Gard"?

A. I had better explain. That is a different type and style of seat cover and that was marked with the brand "Sani-Gard" because it was an entirely different article apart from the Safe Way toilet seat cover.

XQ-167 Wasn't it a toilet seat cover that was used to cover the toilet and flush down the drain afterwards? A. Oh, yes.

XQ-168 Just a different shape, is that right?

A. That is right; that is the idea.

XQ-169 And you were selling those toilet seat covers under the name of "Sani-Gard" as well as under the name "Safe Way"?

A. That is right. That was before I started selling Safe Way seat covers and was selling Sani-Gard seat covers.

XQ-170 And afterwards?

A. And afterwards for a short period.

XQ-171 Mr. Mengler also testified, I believe, that practically all sales were made to jobbers. I understand from you that you make a good many sales to consumers or, rather, to operators of rest-rooms who buy for purposes of consumption on the premises, is that correct?

A. My business to start with was done primarily

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

as a direct sale to consumers and by consumers I mean locations and concerns operating public rest-rooms, and was not a resale proposition through jobbers. That was done because there was not any particular interest in the item of seat covers at that time and it required a considerable amount of missionary effort and sales work to establish the item as a desired article of merchandise. However, within a comparatively short period of time, the business developed from being a very small local business in 1931 and 1932 to being an interstate business and that required a resale proposition through jobbers. So that I then started in increasing my volume of business by means of selling through jobbers such as Mr. Mengler referred to.

XQ-172 But you have continued to sell to consumers, I suppose?

A. I discontinued practically altogether selling to consumers direct.

XQ-173 You said that the Morton Manufacturing Company first used the name "Safe Way", which they registered with the Patent Office, on the dispensing cabinets of yours?

A. That I ordered; yes.

XQ-174 How do you know that?

A. Well, I had not heard of them or anyone else ever using the name of "Safe Way" on dispensing cabinets, and they had been selling me Sani-Gard seat covers. So I was familiar with their particular product and was absolutely certain



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

that they had not labeled cabinets with the name "Safe Way" before I ordered them and asked them to do my cabinets in that way.

XQ-175 Is that based on any statement from them or just an assumption of yours?

A. No; that is an assumption of mine.

XQ-176 I think you said you had been a customer of the Safeway Stores from time to time for a number of years, is that correct?

A. For the past few years I have bought items from them.

XQ-177 Can you say how many years?

A. Oh, I would say for the past three or four years.

XQ-178 Referring to these letters which you wrote to the A. & P., Safeway, Kress and Woolworth, which have been introduced, was that for the purpose of attempting to find a market for these seat covers in retail stores?

A. Yes. When the opposition proceeding was filed against my application for this trademark "Safe Way", I was advised about it, of course, by my attorney and I was rather surprised that any opposition should be encountered from a concern such as the Safeway grocery stores. This was because I had previously found that there was no prospect of my selling paper seat covers to concerns of that kind and the thought occurred to me that possibly I had been overlooking some prospects and that is was something that I had neglected, and so I wrote those letters mentioned.



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

XQ-179 Wasn't it primarily for the purpose of proving they were not interested in selling them?

A. Well, it occurred to me that possibly conditions had changed since I had previously tried to secure an outlet in that way and, if so, I wanted to know about it. But the letters that were received confirmed my supposition and belief that that was not an item that was salable in stores of that kind.

XQ-180 Why did you stop selling your other types of seat covers under the names of "Sani-Gard" and "Vend-Gard"?

A. Well, primarily, the Safe Way seat cover proved to be a more satisfactory seat cover.

XQ-181 There was more demand for that particular one that was sold under that name, was there?

A. There wasn't any more demand except that I created it as a result of my sales efforts, and it was probably a better salable item and a more satisfactory product because of the difference in construction of the seat cover itself and dispensing cabinet.

XQ-182 You said it was probably a better product. Was there any other reason for your pushing that particular one?

A. Not any other particular reason.

XQ-183 Isn't it a fact that you find that seat covers under that name are easier to sell than seat covers under the other names?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. No; I wouldn't say they are easier to sell. Any brand name is hard enough to sell from my experience.

XQ-184 Then, you don't consider the name particularly important in the sale of this product?

A. Well, I think that it is very important with respect to my product Safe Way paper toilet seat covers because I used that name for a long period of time, since 1933, and I established my business of merchandising paper seat covers under that name for all these years and throughout the United States.

XQ-185 But you have always used the name "Sani-Gard Cover Company" or "Sani-Gard Sales Company" in connection with it, haven't you?

A. That is right.

XQ-186 So that none of your customers think of it as a product of Safeway?

A. I have never heard that they ever thought of it as that at all; no.

XQ-187 But would you say it is possible, then, in view of the fact you have used that name so long?

A. No; I wouldn't think so.

XQ-188 Then, you don't think that name is particularly important?

A. Yes; I think it is very important from the point of view, as I have previously expressed, of my having built up a large business under that name. If I had adopted some other name and spent the time and years and effort I have in build-

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dummell.)

ing it up under that name, then I would say that name also would be very important.

XQ-189 Are all these paper seat covers sold in cabinets? I mean are they dispensed in cabinets?

A. Yes; that is a general way of doing it. Sometimes they take a pad and maybe hang it on the wall. During the present emergency, we have found it difficult to buy steel cabinets, so we just take the pad and put it in the restroom without the cabinet.

XQ-190 In all of your labels and designations of name you show the name "Sani-Gard Cover Company" except in the wrappers on the paper pads, is that correct?

A. That is correct. And I will explain why that is done if you wish to have me do so.

XQ-191 Yes.

A. That band is put around 100 or the quantity of covers that are made up into a pad and that pad is inserted then into the steel dispensing cabinet and is not seen by the public or anyone else, and the name would merely require more printing on a narrow band there which hasn't much more room on it and it would serve no particular purpose.

XQ-192 But in these cases you just mentioned, where the packages of covers are put in the restroom without being in a cabinet, then there is no indication of the source or name of the product except the name "Safe Way". is that correct?

A. They don't do that with this particular type

## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

because it would be very wasteful. It would have to be put up in some kind of a chip board envelope like some other brands of covers. In other words, the particular way in which this particular cover is made which is called "Safe Way" is there is nothing to hold the sheets together other than this band around the covers, which has a cardboard back and this band pasted onto that cardboard back. So that it would be a very wasteful proposition to have them used in that way and I doubt that our Safe Way covers have been used in that way. They never have to my knowledge.

XQ-193 Do you still make the Sani - Gard covers? A. No, sir.

XQ-194 Didn't I understand you to say that in some places the covers are dispensed as is, without being put in a cabinet?

A. I have a cover which I call by the name "Pro Tex" and it is made up in an envelope so that it can be used in a restroom without a dispensing cabinet.

XQ-195 Is it true, then, that none of these seat covers which are wrapped with this binder Exhibit M are sold not in dispensers?

A. No; they would not be used that way, I am sure. It would be a very wasteful means of use and a concern would immediately stop buying them if they found people using them in that way, I am sure, without a dispenser.

XQ-196 Why is that?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. Well, people are very careless in public restrooms. In my experience, I have found they are very likely to abuse privileges that are given them in respect to furnishing paper toilet seat covers.

XQ-197 Do you mean they will take out more than one at a time? Is that what you mean?

A. Yes; and women might use them in ways which would not be quite appropriate.

XQ-198 I understood in your testimony in chief that this wrapper Exhibit M was placed on all of the seat covers that you manufactured, is that right?

A. Only on the Safe Way paper toilet seat covers.

XQ-199 But you are, in addition, selling them under another brand?

A. I am selling another cover; yes.

XQ-200 Is that shown on your tabulation? May I see that list?

A. That wouldn't be shown on that list because it is something I have recently put on the market, since 1941.

XQ-201 How many of those do you sell?

A. Not very many.

XQ-202 You have no way of telling, have you, whether seat covers containing this wrapper Exhibit M are not sold without the use of dispensers or dispensing cabinets?

A. I have knowledge from the experience in my business that no one has ever used them in

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

that way that I know of, that is, without a dispensing cabinet.

XQ-203 Your testimony about seat covers being used without a dispensing cabinet did not refer to Safe Way seat covers, is that right?

A. That is correct. I might explain that since the war came upon us we have had difficulty in getting steel to make dispensing cabinets. So that is the reason I have made up this so-called Pro Tex paper toilet seat cover, which is in a chip board envelope which can be put in a restroom and used without a paper dispensing cabinet.

XQ-204 And does that have any arrangement to keep them from getting more than one at a time?

A. Yes. It is a much different type.

XQ-205 How is it sold? Is it in an envelope?

A. I should say yes; it is in a cardboard type of envelope.

XQ-206 Is it arranged so that only one comes out at a time? A. That is right.

XQ-207 Can you furnish us with one of those envelopes? A. Sure.

XQ-208 What is the extent of your advertising, Mr. Dunnell? By that I mean have you ever done any general advertising such as in newspapers and magazines of general circulation?

A. No, I have never advertised in that way.

XQ-209 Your advertising has just been to the trade, so to speak?

A. That is correct. We have never catered to



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

the general public with our product because it is not a product that they buy at a general merchandise store. They go to a grocery store or some other type of a store to buy things which they take home and either eat or use. Our product is sold to locations that are furnishing these without any charge to their customers that use their public restrooms.

XQ-210 How did it happen that you didn't register this mark before you attempted to register it?

A. Well, I suppose it was a matter of neglect on my part.

XQ-211 Had you ever discussed that before you decided to make this registration or ever thought about it?

A. I never discussed it with Mr. Westall before this application was filed for this present registration.

XQ-212 Did you ever discuss it with anybody else? A. Not that I recollect.

XQ-213 Did it occur to you that there might be an opposition? Is that the reason that you didn't attempt to register it before?

A. No; that wasn't the reason.

XQ-214 You sold for the first several years a paper seat cover under the name of "Sani-Gard", is that correct? A. That is correct; yes.

XQ-215 How many years was it, by the way?

A. About six years.

XQ-216 And did you find any trade resistance to that name? A. Not to the name.



## Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

XQ-217 You had put in a good deal of effort in selling under that name, hadn't you, in the six years?

A. Yes; I certainly had as a source of supply for paper toilet seat covers.

XQ-218 Then, why did you change to the name "Safe Way"?

A. Because the Sani-Gard toilet seat cover had a dispensing cabinet, of course, and that dispensing cabinet I had distributed throughout many territories——

XQ-219 That was your business, was it?

A. That is right. I had a considerable volume of business built up on that particular cover with that Sani-Gard dispenser. And, when I found this Sani-Gard cover was not satisfactory in every respect and there were certain objections to it, I conceived the idea of this cover which we call now "Safe Way". The "Safe Way" cover was an entirely different cover as far as type and construction is concerned, particularly with respect to being suitable for use in a Sani-Gard cabinet. In other words, you couldn't use a Safe Way seat cover in a Sani-Gard cabinet because of its construction and the form in which it was made up. So it was perfectly natural that I should adopt some other trade name for this seat cover which I started making in 1933 and selling at that time because there would have been a great confusion in respect to ordering seat covers for my different customers at one time and

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

another. You couldn't call the new cover "Sani-Gard" because then they would be wanting seat covers for use in Safe Way cabinets and get the wrong kind of merchandise and vice versa.

XQ-220 Assuming that you did name it "Safe Way", you named it "Safe Way" so as to avoid confusion, is that right?

A. Yes; I had to adopt a different name.

XQ-221 You did eventually give up your other model, the Sani-Gard model, didn't you?

A. Yes, because, as I said, it hadn't proven satisfactory.

XQ-222 Didn't it occur to you to just change the model and still sell it under the same name?

A. No; I had too many dispensing cabinets out under the name "Sani-Gard". I had continued selling those over a period of years.

XQ-223 You say you gave a great deal of thought to the adoption of a name that would be acceptable to customers. Just what factors did you take into consideration in selecting the name "Safe Way"?

A. Well, the factors that I took into consideration would be a name that was——

XQ-224 I mean just what they were at the time, so far as you recall.

A. Just what is it that you want to know?

XQ-225 I want to know what factors you took into consideration. I mean your answer started out with "would be" and I wanted to make it clear.

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

It isn't what you think now but what you thought then.

A. A name that would be simple and easily remembered. I can't think of anything else particularly that I would take into consideration.

XQ-226 At that time hadn't you seen advertising by Safeway in the local papers?

A. As I said before, I don't recall that I knew of the existence of any Safeway Stores in Los Angeles at the time I first started in selling and merchandising Safe Way covers.

XQ-227 If I tell you that they started selling in Los Angeles under that name in 1926, would that refresh your recollection any?

A. Not particularly although I wouldn't, of course, deny that they did have stores here at that time or sold under that name.

XQ-228 Do you remember the Sam Selig grocery stores?

A. I think that was before I ever came to California.

XQ-229 When did you first come here?

A. In 1928, I believe.

XQ-230 Yes; that would be before your time. But you can't say it is not possible that you may have patronized a Safeway Store or seen Safeway advertising before you adopted its name?

A. I would say at that period in my life I was not patronizing grocery stores at all; that I probably had my wife do all marketing. But my present

Plaintiff's Exhibit No. 3—(Continued)

(Deposition of Warren W. Dunnell.)

marital relationship is such that I have to do some of the marketing myself.

XQ-231 You were married and living at home at that time? A. That is right.

XQ-232 Mr. Dunnell, I will show you a number of clippings from local newspapers for the past year or so and ask you to look at a few of those and say whether you have ever seen advertising like that by Safeway.

Mr. Westall: The question is objected to, first, because it is not proper cross-examination; second, because it is an apparent effort on the part of the opposer to insert new specimens not mentioned in the notice of opposition and of which copies were not furnished to applicant after the filing of the notice of opposition, and which we have not had a chance to examine to the present time, and the receipt in evidence, under the guise of cross-examination or otherwise, is contrary to the ruling of the Examiner of Interferences in the office action of May 20, 1944, in which, after applicant had insisted that the service was not completed in that all specimens of advertising had not been furnished and there was a confusion as to what specimens of advertising or labels would be used, the examiner in said last-mentioned office action, of May 20, 1944, stated that the opposer would be hereinafter correspondingly restricted in its proofs and the submission of such specimens is deemed to constitute a sufficient compliance with the requirements of Trademark Rule 56 relative thereto.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

We remind that at the time of our letter to the Patent Office, calling attention, among other things, to the fact that the notice of opposition was not complete until we received the specimens referred to therein, we also consented to filing by opposer of an amended and substituted notice of opposition to incorporate any new averments or any new specimens of advertising upon which opposer would rely, and which offer was not accepted, the restriction to those already served and now on file being thereafter made as stated; third, we also object to any consideration of the very numerous newspaper clippings now shown to the witness for the reason that many of them are undated; fourth, objection is also made that apparently opposer is now, under the guise of cross-examination, attempting to put in evidence in chief notwithstanding the restriction mentioned.

And we remind that the depositions on behalf of opposer were closed immediately after the taking of the deposition of the only witness, Milton L. Selby, on August 8, 1942, with the statement by the attorney Mr. Wilde, "Depositions on behalf of opposer have been completed and its case is closed."

Mr. Hoge: I would like to say that these documents are offered in connection with the cross-examination. And, also, I hereby give notice that they will be offered as printed matter pursuant to Rule 154 (e) of the Rules of Practice of the United States Patent Office.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

Will you read the question, please?

(Question read by notary.)

A. In reading the newspapers, I undoubtedly have casually observed such advertisements of Safeway Stores.

Mr. Hoge: I will offer those in evidence as Opposer's Exhibits 42-1 to 42-49 inclusive.

Mr. Westall: They are objected to on the ground they are not proper cross-examination; on the ground, also, that it is an attempt to disregard the restriction of the examiner of interferences of May 20, 1944, and to insinuate into the record evidence in chief; also, on the ground that it is out of order now to consider any such evidence because the depositions on behalf of the opposer were closed over a month ago; and, furthermore, that the newspaper clippings are, many of them, undated and no foundation has been laid to support their introduction in evidence; and, furthermore, they are much too late, as those that are dated are of dates apparently late in 1943 and most of them in 1944, long after the filing of the application for registration or the filing of the notice of opposition. And upon such grounds they also are totally irrelevant and immaterial to any issue in this case.

XQ-233 (By Mr. Hoge): At any rate, Mr. Dunnell, you have realized for some time, have you not, that Safeway has been making an extensive advertising campaign with the use of the name



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

"Safeway" appearing in its advertisements?

A. No; I wouldn't say that I realized that; no.  
XQ-234 You do now realize it, don't you?

Mr. Westall: That is objected to on the ground that counsel is assuming that he has proved the advertisements and expects that the witness will accept such assumption which has not been proven and is not in evidence.

A. If these advertisements just shown to me are recent advertisements, as it cannot be determined, of course, from those which have no dates, I should say, of course, that they are doing a fair amount of advertising.

XQ-235 (By Mr. Hoge): Did you read the deposition of Mr. Selby, Mr. Dunnell?

A. No; I did not read it.

XQ-236 He states in that deposition, in answer to Question No. 23, that the company, referring, of course, to Safeway Stores, Incorporated, expended, in 1943, for advertising of all kinds, the total amount of \$3,600,000 odd. Assuming that to be true, it is apparent to you, is it not, that you are reaping a considerable benefit from something that the Safeway Stores, Incorporated, is doing?

Mr. Westall: That is objected to as not proper cross-examination and upon each of the grounds heretofore stated in the objections to the receipt in evidence of the voluminous newspaper clippings referred to.

A. I cannot see that I am now or ever have re-



Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

ceived any benefit from any of the advertising done by Safeway Stores, Incorporated.

XQ-237 (By Mr. Hoge): You don't think that the public's familiarity with that name and acceptance of that name does you any good?

A. I don't think they connect it with paper toilet seat covers in any way.

XQ-238 Don't you think, as a matter of fact, at least to the average housewife, the name "Safeway" suggests a grocery store?

A. Not any more than it would possibly something else. I don't know how the American housewife's mind works.

XQ-239 So far as you personally are concerned, aside from your own use of it, you have never heard of any other use of it except by a grocery store, have you? Didn't you so testify a while ago or am I correct?

A. I testified, as I recollect, that I was not familiar with any of the particular exhibits which were——

XQ-240 Which show the registration of the name "Safeway"?

A. Which showed the registration of the name "Safeway"; that is right.

XQ-241 And you were not familiar with them until just recently, when counsel called your attention to them, is that correct?

A. That is correct; yes, sir.

XQ-242 Are you familiar with any other use of that name?

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

A. Since the institution of this opposition proceeding, my attorney has brought to my attention a number of other products that are called by the name "Safe Way".

XQ-243 But before that you knew only your own product and the grocery business use, didn't you?

A. I may during the past years, which is very difficult for me to remember all about, have come across the name, "Safe Way" for some product of one kind or another and I may have had it brought to my attention but I don't recall any specific instances at this time.

XQ-244 But you do recall the use of the name in connection with grocery stores?

A. Well, I do know that there are Safeway grocery stores located at the present time in Los Angeles.

XQ-245 And you have been familiar with that fact for a number of years?

A. For the last three or four years.

XQ-246 And possibly before?

A. I wouldn't say possibly.

XQ-247 You wouldn't say probably and you wouldn't say possibly, either?

A. It might be possible but I would have to draw upon my imagination considerably, I imagine, to figure out just exactly when it was that I first knew about a Safeway Store in Los Angeles.

Plaintiff's Exhibit No. 3—(Continued)  
(Deposition of Warren W. Dunnell.)

XQ-248 You just don't recall when that was, is that correct? A. That is correct.

Mr. Hoge: That is all.

Mr. Westall: No redirect examination. I now, in order to avoid the possibility of overlooking the introduction of some exhibit which has been marked for identification, re-offer each of said exhibits in evidence that were referred to in this witness' testimony as exhibits bearing the letter or number by which they were identified.

Mr. Hoge: I make the same objection as was made to any exhibit at the time.

Mr. Westall: The testimony on behalf of the applicant Dunnell is closed.

/s/ WARREN W. DUNNELL.

State of California,  
County of Los Angeles—ss.

I, Ross Reynolds, a notary public within and for the County of Los Angeles and State of California, do hereby certify that the foregoing depositions of John H. Mengler and Warren W. Dunnell were taken on behalf of the Applicant, in pursuance of the notice hereto annexed, before me, at Room 225 Wilson Building, 132 West First Street, in the City of Los Angeles, in said County, on the 12th day of September, 1944; that said witnesses were by me each duly sworn before the commencement of the testimony of such witnesses, respectively; that with the written consent of all parties present, as at the

## Plaintiff's Exhibit No. 3—(Continued)

beginning of said depositions indicated (the stipulation showing said consent being attached hereto), the said depositions of each of said witnesses was taken down stenographically by me and afterwards transcribed or typed by Mildred Diggins, under my directions and in my presence; that the opposing party, Safeway Stores, Incorporated, was represented by counsel, as noted below the caption of said depositions, during the taking of said testimony; that said testimony was taken at the place aforesaid, and was commenced at the hour of 10:00 o'clock a.m. on the 12th day of September, 1944, and was continued to the hour of 12:00 o'clock noon of said day, at which time an adjournment was taken to the hour of 2:00 o'clock p.m. of said day; that said testimony was resumed, pursuant to the said adjournment, at the hour of 2:00 o'clock p.m. of said day and was continued to the hour of 4:30 o'clock p.m. and was concluded at that hour on said date; that the depositions were read by each of said witnesses before the witnesses signed the same, and that they signed the same in my presence.

I further certify that I am not connected by blood or marriage with either of said parties, nor interested, directly or indirectly, in the matter in controversy.

I further certify that the exhibits herewith enclosed were marked by me as is more particularly set forth in the index hereof and were offered in evidence by the respective counsel as in more particularly hereinbefore shown.

## Plaintiff's Exhibit No. 3—(Continued)

In testimony whereof, I have hereunto set my hand and affixed my seal of office at Los Angeles, in said County, this 11th day of October, 1944.

[Seal]     /s/ ROSS REYNOLDS,  
Notary Public in and for the County of Los Angeles, State of California.

[Endorsed]: Filed March 12, 1947.

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[Endorsed]: No. 11806. United States Circuit Court of Appeals for the Ninth Circuit. Safeway Stores, Inc., a corporation, Appellant, vs. Warren W. Dunnell, Appellee. Transcript of Record. Upon Appeal from the District Court of the United States for the Northern District of California, Southern Division.

Filed December 2, 1947.

      /s/ PAUL P. O'BRIEN,  
Clerk of the United States Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals  
for the Ninth Circuit

No. 11806

SAFEWAY STORES, INCORPORATED,  
a corporation,

Appellant,

vs.

WARREN W. DUNNELL,

Appellee.

STATEMENT OF POINTS ON WHICH APPELLANT INTENDS TO RELY ON APPEAL, AND DESIGNATION OF THE PARTS OF THE RECORD WHICH APPELLANT THINKS NECESSARY FOR THE CONSIDERATION THEREOF

To the United States Circuit Court of Appeals for the Ninth Circuit, and to the Clerk of Said Court:

Now comes appellant in the above-entitled and numbered case and pursuant to subdivision 6 of Rule 19 of the Rules of the above-entitled Court files with the Clerk of said Court the following statement of the points upon which appellant intends to rely on the appeal, and designates the following designated parts of the record which appellant thinks necessary for the consideration thereof.

Statement of Points to Be Relied Upon

1. There was no evidence, and in any case no sufficient evidence, to overcome the findings and



decision of the Examiner of Interferences of the Patent Office and the findings and decision of the First Assistant Commissioner of the Patent Office that appellee's use of the name "Safe Way" is likely to cause confusion and mistake and to deceive purchasers, and that registration thereof is prohibited by the Federal Trade Mark Act. Both the Examiner and the Assistant Commissioner found and decided (1) that the name Safeway designates appellant in the minds of the public, (2) that the goods dealt in by appellant and appellee are of a similar nature and of the same descriptive properties, and (3) confusion of persons and reputations are reasonably likely to result from appellee's registration and use of the name Safeway. No evidence was introduced at the trial before the District Court in any way tending to overcome these determinations, and, in any case, there was no evidence there introduced which in character and amount carried thorough conviction that the Patent Office findings and decisions were erroneous. Under these circumstances, the Patent Office decisions are controlling. The District Court, in complete disregard of the doctrine of administrative finality and of the decisions in the Patent Office substituted its judgment for that of the administrative tribunal.

2. Appellee's use of the name "Safe Way" is likely to cause confusion and mistake and to deceive purchasers and others; and registration thereof is prohibited by the Federal Trade Mark Act. The name "Safeway" designates appellant, "Safeway Stores, Incorporated," in the minds of



the public. The goods dealt in by appellee, to wit, paper toilet seat covers, are of a similar nature and of the same descriptive properties as the paper products, including toilet tissue, sanitary napkins, facial tissue, paper cups, paper towels and paper napkins dealt in by appellant. Confusion of persons and reputations is reasonably likely. The words "Stores" and "Incorporated" in appellant's name are nondescript, and appellant's name is "Safeway" within the meaning of the Federal Trade Mark Act and under the principles of law of unfair competition.

3. Appellant is the prior user of the name "Safeway."

4. Appellee's use of the name "Safe Way" constitutes unfair competition to appellant; and appellee should be enjoined from using it.

5. The court was without jurisdiction to adjudge and direct that the Commissioner of Patents register the name "Safe Way."

6. Registration of the name "Safe Way" is barred by appellee's laches.

7. Appellee has failed to establish his prior use of the name "Safe Way" even for toilet seat covers or his ownership of the claim upon which his suit is based.

8. That appellant will be damaged by appellee's registration of the name "Safe Way."

#### Parts of Record Deemed Necessary

Appellant thinks that it is necessary for the consideration of this appeal that the entire record as

certified to the above-entitled Court be considered by the above-entitled Court and designates for printing the entire record, except as otherwise provided by order of the above-entitled Court dated December 4, 1947.

Dated: December 4, 1947.

/s/ MITCHELL T. NEFF,  
/s/ WILLARD S. JOHNSTON,  
ORRICK, DAHLQUIST, NEFF,  
BROWN & HERRINGTON,  
Attorneys for Appellant.

[Endorsed]: Filed Dec. 4, 1947.

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[Title of Circuit Court of Appeals and Cause.]

AFFIDAVIT OF WILLARD S. JOHNSTON

State of California,  
City and County of San Francisco—ss.

Willard S. Johnston, being first duly sworn, deposes and says:

That he is one of the attorneys for the appellant in the above-entitled cause; that the facts and matters herein stated are better known to affiant than to said appellant and for that reason affiant makes this affidavit for and on behalf of appellant; that it is necessary that the Court consider the entire record for the proper consideration and disposition of this appeal; but that except for the record in the Patent Office (Exhibits 1, 2 and 3 in the District Court) none of the exhibits in the District Court should be printed and none of the exhibits in the

Patent Office (whether or not included in said Exhibits 1, 2 or 3) should be printed for the reasons that said exhibits are numerous and voluminous and the printing thereof would be inordinately expensive; that some of said exhibits are not in written or pictorial form but constitute physical objects which would be difficult and costly to reproduce, and that said exhibits are of a character and the issues are such that the Court should consider and inspect the exhibits in the form in which they now are; that on September 17, 1947 the District Court made its order that the exhibits be transmitted to the Clerk of this Court for use and inspection by this Court, and said exhibits have accordingly been so transmitted to said Clerk and are now in his custody.

Wherefore, affiant prays for an order of this Court ordering that the entire record be printed with the exception of said Exhibits 1, 2 and 3; that except for said Exhibits 1, 2 and 3 the exhibits be not printed or reproduced; and that the Court will consider the entire record, including all of the exhibits.

/s/ WILLARD S. JOHNSTON.

Subscribed and sworn to before me this 4th day of December, 1947.

[Seal]      /s/ LUCIE M. REINCKE,  
Notary Public in and for the City and County of  
San Francisco, State of California.

My Commission Expires November 19, 1950.

[Title of Circuit Court of Appeals and Cause.]

### ORDER

On reading and filing the affidavit of Willard S. Johnston herein, and good cause appearing therefor, It Is Hereby Ordered that none of those portions of the record constituting exhibits in the District Court except Exhibits 1, 2 and 3 in the District Court, and none of the exhibits marked as Patent Office exhibits (whether or not included in said Exhibits 1, 2 or 3) need be printed or otherwise reproduced, and that all exhibits included in the record on appeal will nevertheless be considered by the above-entitled Court on the appeal.

Dated: December 4, 1947.

/s/ FRANCIS A. GARRECHT,  
Judge.

[Endorsed]: Filed Dec. 4, 1947.



